NOTE

This Microfiche meets the quality requirements of the American National Standard for Microfiche of Documents (ANSI PH5.9-1975). However, because of imperfections in the document from which it was made, it contains images that are illegible or difficult to read. The source document for this microfiche is the best copy that could be obtained prior to filming.

CIS

Congressional Information Service
Washington, D.C.

S. Hrg. 101-351

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1990

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

H.R. 3014

AN ACT MAKING APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1990, AND FOR OTHER PURPOSES

Architect of the Capitol (Except House Items)
Biomedical Ethics Board
Capitol Police Board
Congressional Budget Office
Copyright Royalty Tribunal
General Accounting Office
Government Printing Office
Library of Congress
Office of Technology Assessment
U.S. Senate

Printed for the use of the Committee on Appropriations

U.S. GOVERNMENT PRINTING OFFICE
93-221 ⇆ WASHINGTON : 1989

S181-3

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

COMMITTEE ON APPROPRIATIONS

ROBERT C. BYRD, West Virginia, *Chairman*

DANIEL K. INOUYE, Hawaii
ERNEST F. HOLLINGS, South Carolina
J. BENNETT JOHNSTON, Louisiana
QUENTIN N. BURDICK, North Dakota
PATRICK J. LEAHY, Vermont
JIM SASSER, Tennessee
DENNIS DeCONCINI, Arizona
DALE BUMPERS, Arkansas
FRANK R. LAUTENBERG, New Jersey
TOM HARKIN, Iowa
BARBARA A. MIKULSKI, Maryland
HARRY REID, Nevada
BROCK ADAMS, Washington
WYCHE FOWLER, Jr., Georgia
J. ROBERT KERREY, Nebraska

MARK O. HATFIELD, Oregon
TED STEVENS, Alaska
JAMES A. McCLURE, Idaho
JAKE GARN, Utah
THAD COCHRAN, Mississippi
ROBERT W. KASTEN, Jr., Wisconsin
ALFONSE M. D'AMATO, New York
WARREN RUDMAN, New Hampshire
ARLEN SPECTER, Pennsylvania
PETE V. DOMENICI, New Mexico
CHARLES E. GRASSLEY, Iowa
DON NICKLES, Oklahoma
PHIL GRAMM, Texas

James H. English, *Staff Director*
Mary S. Dewald, *Chief Clerk*
J. Keith Kennedy, *Minority Staff Director*

Subcommittee on the Legislative Branch

HARRY REID, Nevada, *Chairman*

BARBARA A. MIKULSKI, Maryland
BROCK ADAMS, Washington
ROBERT C. BYRD, West Virginia
(ex officio)

DON NICKLES, Oklahoma
MARK O. HATFIELD, Oregon

Professional Staff
Jerry Bonham
J. Keith Kennedy

CONTENTS

THURSDAY, APRIL 13, 1989

U.S. Senate:	Page
Office of the Secretary of the Senate	1
Office of the Sergeant at Arms and Doorkeeper	45
Congressional Budget Office	75

FRIDAY, MAY 5, 1989

Library of Congress	151
Copyright Royalty Tribunal	261
Government Printing Office	279

MONDAY, MAY 8, 1989

Biomedical Ethics Board	325
Architect of the Capitol	343

THURSDAY, MAY 11, 1989

Office of Technology Assessment	437
Capitol Police Board	491
General Accounting Office	515

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1990

THURSDAY, APRIL 13, 1989

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m., in room S–146, the Capitol, Hon. Harry Reid (chairman) presiding.

Present: Senators Reid and Nickles.

U.S. SENATE

OFFICE OF THE SECRETARY OF THE SENATE

STATEMENT OF WALTER J. STEWART, SECRETARY OF THE SENATE

ACCOMPANIED BY:

JERI THOMSON, ASSISTANT SECRETARY OF THE SENATE

STUART F. BALDERSON, FINANCIAL CLERK OF THE SENATE

OPENING REMARKS

Senator REID. The subcommittee will come to order. Today the Subcommittee on Legislative Branch begins its hearings in connection with the fiscal 1990 budget cycle.

The total requests for the organizations and activities funded directly through the legislative branch appropriations bill comes to $2,203,620,200. This is about $395 million more than the amount provided in the current year.

On the face of it, this is a sizable increase; and I frankly do not see how we can afford it in light of the present budgetary climate. I am sure that my colleagues will agree that we will need to do our best to find ways to achieve reductions. At the same time, we want to be certain that essential functions are adequately supported and that the value of the assets entrusted to our care is not eroded.

So the subcommittee has its work cut out. In fairness, it should also be pointed out that there is an essential difference between legislative and executive branch agencies in the formulation of their respective budgets. In the executive branch, the initial agency requests are submitted first to the department in question, and then to the Office of Management and Budget before they ever come to Congress.

In the process, they are typically cut back, trimmed, and reconciled with competing demands and the President's priorities. No such winnowing takes place in the legislative branch. Each organization frames its estimates of the resources necessary to carry out its particular mission with no reference to other requirements or priorities.

Under existing law, and in accordance with traditions of comity between branches these are incorporated in the President's budget, and presented as the legislative branch budget request. It then falls to the Appropriations Committees to work out a reasonable balance within the constraints of the budgetary realities.

This year, of course, OMB chose to depart from that traditional courtesy and included an unallocated cut of $318 million to the legislative branch request. My reaction as chairman of this subcommittee is thanks; but no thanks. We will do the job without help, or interference, from the executive branch.

Since 1981, the Appropriations Committees have cut $1.2 billion from the original requests of the legislative branch agencies. I intend to build on that record; and we will decide what needs to be done on a case-by-case basis. And I might, in passing, note that the ranking member of this subcommittee is Don Nickles, who has not been known as a big spender since he came to Congress. And I think that he, along with me, will cut the requests from the agencies appropriately.

This morning, the subcommittee will be hearing the request of the Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, and the Congressional Budget Office. We will begin this hearing today with the Secretary's office. It is a pleasure to have the Honorable Walter J. Stewart with us to present his budget. He is accompanied by Ms. Jeri Thomson, the Assistant Secretary of the Senate, and Mr. Stuart F. Balderson, the Financial Clerk of the Senate.

I welcome all of you. I might, as you come and take your place, note that the Secretary of the Senate is one of five all-Senate elected officers. The office traces its inception, as I understand it, to the year 1789 when, 2 days after the Senate formally convened, it elected its first Secretary. Over the years, many legislative and administrative functions have been vested within the jurisdiction of the Secretary. We will hear a little bit about that today; and whatever else you want to talk about, Joe. We have your full statement, and it will be made part of the record. I would like you to outline that and highlight whatever you feel is appropriate.

Mr. STEWART. Thank you, Mr. Chairman. It is a pleasure to be here. As you have noted, I have my Assistant Secretary, Jeri Thomson, and the Financial Clerk, Stuart Balderson, with me. Stu will be inserting later today some more detailed payroll records which are necessary for this committee to review before making its final decision.

I want to express appreciation to this subcommittee for the cooperation I have had as Secretary. As you know, the Secretary, like the Sergeant at Arms, basically operates under a board of directors. That board of directors is made up of the chairman and ranking member on the Legislative Appropriations Subcommittee, the chairman and ranking member on the Rules and Administration Committee, and the majority and minority leaders. To the extent that I can keep this board informed and satisfied, I believe that I am moving in the proper direction.

AUTOMATION

My primary focus for the past 2 years has been automation; and to try and save money in each of our departments. In the legislative departments, we have successfully automated the Senate Journal, which has resulted in a savings of approximately $200,000 per year. We have also automated the executive clerk and with the enrolling clerk; although these savings are smaller, running about $15,000 for each department. We have successfully put new automation equipment in the Senate stationery room, and continue to upgrade the Senate library.

MOVING SENATE LIBRARY

On that subject, Mr. Chairman, Senator Mitchell corresponded with me earlier this year and asked that I discuss with Senator Ford the possibility of transferring the Senate library from the Capitol to one of the Senate Office Buildings. I have had several meetings with Senator Ford and his staff toward that objective. While we have not pinpointed a location, I think that they are hoping to move the library concurrent with the move of the service department and other functions to the Post Office. We intend to hire a library designer to plan this so that when the library finally does move, it will better serve both the Members and staff. We expect, at that point, a substantial increase in usage of this facility.

BICENTENNIAL OF THE SENATE

Of course, the bicentennial events are preeminent right now. Both the historian and the curator have been very active in organizing these events. To date, we have had two events: The joint meeting of the Senate and House of Representatives in the House Chamber and, of course, the special bicentennial session of the Senate held on April 6. The Senate stamp has been issued as well as part of the bicentennial Constitution series. The first strike of the bicentennial of the Congress coins will occur on June 20.

FISCAL YEAR 1990 BUDGET REQUEST

My 1990 budget request is $8.852 million. This is an increase of $687,000 over last year. This increase covers annualization of the COLA's, which were granted earlier this year; two additional staff positions in the Office of Senate Security; one additional position in the Office of Parliamentarian; and one in the area of automation.

PREPARED STATEMENT

My entire budget has been put in the record; and I would be more than pleased to answer any questions which you would care to ask.

[The statement follows:]

STATEMENT OF WALTER J. STEWART

BUDGET SUMMARY

Mr. Chairman and Members of the Subcommittee, I thank you for the opportunity to appear before you today to present the Fiscal Year 1990 budget request for the Office of the Secretary of the Senate. I would also like to take this opportunity to congratulate you, Mr. Chairman, and you Senator Nickles, on assuming the duties as Chairman and Ranking Minority Member of this Subcommittee. I look forward to working with you and the other Members.

To fund the salary expenses of the Office of the Secretary for FY90, I am requesting $8,852,000, which represents an increase of $687,000 over last year's allowance. This increase covers annualization of payroll costs resulting from January's COLA, annualization of certain adjustments in the Stationery Room and Disbursing Office, funds two new professional positions in the Office of Senate Security, a fourth professional staff position in the Office of the Parliamentarian and an additional technical staff member to support our extensive computer operations.

To fund the non-salary expenses of the Office of the Secretary, I am requesting $727,200. This is the same amount which I requested for FY89. This account enables the Secretary to carry out such administrative responsibilities as the education of Senate pages ($225,000), provision of Senate service awards pursuant to S. Res. 21 ($18,000), and to provide support services necessary for operation of the Senate Library (approximately $110,000). The District of Columbia has increased the cost to us of educating Senate pages by $25,000, but we will absorb this increase through careful management of our other activities. A table at the end of this statement provides a detailed listing of this request.

LEGISLATIVE DEPARTMENTS

BILL CLERK

The Bill Clerk records actions of the Senate, keeps an authoritative historical record of Senate business, enters daily legislative activities and votes into the automated legislative status system, and assigns numbers to all bills and resolutions.

The Bill Clerks processed about the same number of bills this Congress as last. During the 100th Congress, 2,924 bills and 395 joint resolutions were submitted. The office processed 520 resolutions, 170 concurrent resolutions and 3,773 amendments submitted. This compares to the 99th Congress figures of 2,954 bills, 432 joint resolutions, 519 resolutions, 175 concurrent resolutions and 3,517 amendments.

DAILY DIGEST

The Daily Digest section of the Congressional Record provides a brief, concise, accounting of all official actions taken by the Senate on a particular day. The Daily Digest also includes a listing of all meetings of Senate committees, subcommittees, joint committees and committees of conference as far in advance as committees have announced.

Chamber Activity

The Senate was in session a total of 137 days, for a total of 1,127 hours and 48 minutes. There were 26 quorum calls and 379 record votes.

Committee Activity

Senate Committees held 860 hearings and 304 business meetings, for a total of 1,164, contrasted with 812 hearings and 355 business meetings (total 1,167) during the 2nd Session of the 99th Congress.

All hearings and business meetings, including joint meetings and conferences, are scheduled through the office, entered in the LEGIS hearing file, and published in the Congressional Record.

ENROLLING CLERK

The Enrolling Clerk proofreads and prepares for printing all Senate-passed legislation prior to its transmittal to the House of Representatives, the White House, or other ultimate destinations. Physically transmits all Senate messages to the House of Representatives and arranges for delivery of all enrolled bills and resolutions to the White House.

During 1988, 212 enrolled bills, an increase of 114% over 1987, were prepared, printed, proofread, corrected and transmitted to the President. Also, 814 other pieces of legislation, an increase of 31% over 1987, in one form or another, were enacted by the Senate. One hundred and forty-two pieces of legislation had to be assembled and "hand engrossed," which entails typing and piecing together a true and accurate copy by hand immediately upon passage by the Senate so that it can be transmitted to the House of Representatives.

All cost saving measures which were instituted in 1987 were continued in 1988.

EXECUTIVE CLERK

The Executive Clerk prepares an accurate record of actions taken by the Senate during executive sessions which are published in the Executive Journal at the end of each session of Congress. This office also prepares the Executive Calendar which is printed daily when any nominations, treaties, or executive resolutions are pending before the Senate.

Nominations

During the second session of the 100th Congress, there were 659 nomination messages received, transmitting 37,264 individual nominations to positions requiring Senate confirmation and 13 withdrawals of nominations previously sent to the Senate. Of this total, 404 were for civilian positions other than lists in the Foreign Service, Coast Guard, National Oceanic and Atmospheric Administration and Public Health Service. In addition, there were 2,266 nominees in the "civilian list" categories named above. Armed Services nominations received during the second session totaled 34,594; with 12,349 in the Air Force: 10,500 in the Army; 10,159 in the Navy; and 1,586 in the Marine Corps. A total of 5,494 nominations were carried over from those received during the first session of the 100th Congress, but not disposed of prior to the adjournment of the first session.

Of a total of 42,758 nominations eligible for consideration, the Senate gave its advice and consent to 42,317 of these nominations. A total of 428 nominations failed at the time of the sine die adjournment of the Senate on October 22, 1988; with 170 civilian nominations, 254 civilian list nominations, two Army nominations, one Navy nomination and one Marine Corps nomination being returned to the President on October 27, 1988, pursuant to the provisions of Rule XXXI, paragraph 6 of the Standing Rules of the Senate.

Treaties

There were 12 treaties transmitted to the Senate in 1988 for its advice and consent, which were printed as treaty documents for the use of the Senate (Treaty Documents 100-11 through 100-22). The Senate gave its advice and consent to four treaties without reservation and approved 15 other treaties with various conditions to the resolutions of advice and consent to ratification during the second session. Eight treaties pending on the Executive Calendar at the time of the sine die adjournment of the 100th Congress were returned to the Committee on Foreign Relations.

The consideration of one of the above treaties—the INF Treaty with the Soviet Union—led to several days of debate on the Senate floor and the consideration of numerous amendments prior to passage of the treaty.

Executive Reports and Roll Call Votes

Twenty executive reports—four relating to nominations and 16 to treaties—were ordered printed for the use of the Senate (Executive Reports 100-13 through 100-32).

During the second session of the 100th Congress, the Senate had 37 roll call votes in executive session, seven on the adoption of resolutions of advice and consent to treaties, 21 in relation to actions on the INF Treaty, and nine on the confirmation of nominations.

JOURNAL CLERK

The Journal Clerk takes notes of the daily legislative proceedings of the Senate in the minute book and prepares a history of bills and resolutions for the printed Journal which is in effect the index of legislative action. The Journal is published each calendar year.

This past year, this office automated the publication of the Journal, saving the Congressional Printing and Binding Account about $200,000.

LEGISLATIVE CLERK

The Legislative Clerk calls roll for quorums and records all votes, prepares the Senate Calendar of Business for each daily session of the Senate, and reads bills, resolutions, amendments, the Senate Journal, Presidential messages, conference reports, etc. before the Senate.

The 1988 activities of the Legislative Clerk's office have remained fairly consistent with that of the previous year, as well as that of previous Congresses. There was a slight increase in most of the department's functions (as compared to the second session of the previous Congress), while the hours and days of session showed a slight decrease. Certain statistics related to the legislative workload of the office are as follows:

	99th Congress Second Session Jan-Oct 1986	100th Congress Second Session Jan-Oct 1988
Total Measures Passed	747	814
Total Measures Reported	546	511
Live Quorum Calls	16	26
Roll Call Votes	359	379
Days in Session	143	137
Hours in Session	1,279	1,127

The trend of starting the daily sessions earlier in the day has continued and, consequently, extreme late sessions were the exception rather than the rule.

OFFICIAL REPORTERS OF DEBATES

The Official Reporters of Debates prepare and edit for publication in the Congressional Record a substantially verbatim report of the proceedings of the Senate, and serves as liaison for all Senate personnel on matters relating to the content of the Record. The Chief Reporter functions as the Editor-in-Chief of the Record.

Congressional Record

The second session of the 100th Congress adjourned sine die at 3:16 a.m., Saturday, October 22, 1988. Total Record pages for the second session were 17,346. Actual floor proceedings continue to consume approximately 60% of the total pages, with the remaining pages divided roughly equally between morning business and additional statements. The extra hours requirement for the staff averaged approximately 450 hours per person.

Computer Assisted Transcription Project

The Reporters are testing new computer equipment in a pilot project called Computer Assisted Transcription (CAT). The system is in use now and so far has been a success. We hope to get Rules Committee authorization to proceed to Phase II in the near future.

PARLIAMENTARIAN

The Parliamentarian is responsible for maintaining the precedents and practices of the Senate as well as to advise the Presiding Officer of the Senate, as well as other Senators, of procedural aspects of the Senate. This office refers all legislation, messages, communications, reports from the Executive Branch, petitions and memorials from State legislatures and individuals to the appropriate committee.

The Parliamentarians enter Senate precedents in the Senate's LEGIS system's rules file. Use of the GRID computer in the Chamber continues to be of great value. Through the use of word processing equipment, this office produces bills, resolutions and amendments in a format similar to that used by the Office of the Legislative Counsel, primarily for the Senate Leadership.

Work continues on the major revision and update of Senate Procedure. Several factors, including availability of staff and the final decision on format, will determine the completion date.

OFFICE OF PRINTING SERVICES

The Office of Printing Services coordinates and schedules printing of all bills, resolutions, reports, amendments, Senate documents, committee calendars, committee lists, and miscellaneous publications. Prepares requisitions for printing and binding, and acts as a liaison to the Government Printing Office.

During the second session of the 100th Congress, a total of 564 publications were printed. This compares with a total of 947 publications printed during the second session of the 99th Congress, or a decrease of approximately 40%, which can be attributed in part to Rules Committee's efforts to reduce Senate printing costs.

During the past year, the pilot test of a printing system proved to be a definite success. The following example is representative of current costs. Prior to installation of the system, it cost $2,805 to print the booklet entitled "List of Standing Committees" at $4.45 per copy. Using the system to compose a recent edition of the same booklet, it cost $1,235, or $1.96 per copy; a savings of more than half.

ADMINISTRATIVE OFFICES

DISBURSING OFFICE

The Disbursing Office compiles Senate budget estimates for presentation to the Committee on Appropriations, maintains all Senate appropriated funds and all Senate payrolls, interprets and carries out all matters related to budgeting, appropriations, compensation, payroll deductions, retirement, life insurance, health insurance, and other employee benefits authorized for Members and employees of the Senate.

In January 1988, Disbursing Office staff began processing payrolls using the new Personnel/Allowance System.

The new Payroll/Personnel System was used to generate the end of the month allowance reports for the month of January 1988 and subsequent months. The new reports are more detailed in nature, covering projected expenditures for the entire fiscal year. Previous reports projected only two months. Staff indicated they found this new management tool useful.

New procedures were developed for the reporting of the "Senators' Personnel and Office Expense Accounts" which combined the Administrative, Clerical, and Legislative Assistance Allowance and the Official Office Expense Account into one appropriation account.

During January, the Payroll Section continued with the policy of mailing the instructions for the W-4 forms and a copy of the "Employee Withholding Allowance Certificate" to each person who was active on the payroll to serve as a reminder to the employee to keep up with their tax liability.

New procedures to deal with the cost-of-living increases and the turnover of employees generated by the election were reviewed in order to process the increased workload in a timely manner.

Federal Employee Retirement Systems (FERS) and Civil Service Retirement System (CSRS)

The United States Senate was rated number one, by the Office of Personnel Management (OPM), in accuracy and timeliness of submission of records for regular retirement, disability retirement, and death and refund cases.

Another personal computer (PC) was added to the Employee Benefits Section, which enabled more retirement counselors to provide the information necessary in retirement counseling.

Because OPM has not published a CSR pamphlet for Congressional employees in many years, and does not intend to do so in the near future, the Employee Benefits Section has produced and published a booklet outlining the provisions of CSRS and CSRS-Offset for Senate employees, and a detailed retirement pamphlet informing employees where necessary information can be obtained.

Due to the passage of P. L. 100-202, a belated Open Season was held for the first six months of 1988 and this required extensive time to locate the persons affected and to notify and re-counsel them regarding the legislative changes which required the belated Open Season.

Procedures, audits, and training for Disbursing Office employees for processing death and disability cases under the Federal Employees Retirement System were established.

Due to the mandatory FERS coverage of employees, the number of retirement records which are tracked, updated, and forwarded upon termination, has more that doubled since 1987.

Benefits, Payroll, and Front Office personnel were trained in FERS and TSP appointment and change processing.

Thrift Saving Plan (TSP)

The first of two TSP Open Seasons in which employees could invest in more than one fund occurred in 1988 and the required modifications to the Employees Benefits Section counseling, Payroll processing, and Accounting reporting procedures were implemented. The processing changes in Payroll and Benefits were coordinated closely to assure maximum attention to detail with minimum impact on current processes.

Federal Employees Health Benefits

Over a dozen health insurance plans canceled their Senate coverage, requiring extensive time to modify reports and allow employees to change coverage. Many changes in coverage and some drastic changes in the cost of plans indicated a heavy 1988 Open Season.

The first Health Insurance Fair for Senate employees in the Senate history was held and over 500 Senate employees attended. Twenty-three health insurance plans were represented.

Approval was received from OPM and the National Archives Records Service (NARS) to begin receiving Official Personnel Folders from the Federal Records Center in St. Louis to enable more accurate processing of appointments to the United States Senate.

Eight Oaths of Office Affidavits were consolidated and simplified into one form, usable by all Senate offices, which facilitates ordering, stocking, and updating the forms.

During 1988 all ten Senators not returning in 1989 were given personal counseling regarding their benefits, and individual office seminars were held for their staffs. All employees of those offices also received personal conferences, if that was requested or if they were retiring.

Communications between the Office of Management and Budget and the Disbursing Office for the transmittal of budget data were implemented.

Disbursing Office staff worked closely with the Committee on Rules and Administration to resolve questions that arose with the implementation of the new Senators' Official Personnel and Office Expense Account. These questions ranged from the creation of new expense categories to existing vouchering policies. Seminars were conducted to familiarize Senators' offices with the changes being brought about by the creation of the Senators' Official Personnel and Office Expense Account.

Assistance was provided to the staff of the Rules Committee when Senate Travel Regulations were revised as a result of passage of S. Res. 258, which requires documentation of expenses reimbursed from the Contingent Fund of the Senate and establishes expense categories for committees. The latter will eventually lead to the creation of a new voucher form simplifying the voucher process for the committees.

DOCUMENT ROOM

Requests for Senate Documents

The Document Room maintains an adequate supply of Senate documents and legislative publications for distribution to Senate offices, executive agencies, and the public.

The annual statistics for the Senate Document Room for 1988, during the period January 1 through October 31, 1988, show that the Document Room received 107,871 requests by phone; 20,579 requests by mail; and approximately 104,000 walk-in customers, including about 5,000 students sponsored by the Close Up Foundation. In addition, messengers from the Document Room delivered 79,163 envelopes containing documents to all Senate offices.

SENATE LIBRARY

The Senate Library, established in 1870, provides both traditional and computerized information services, maintains a comprehensive collection of Congressional, governmental, and other publications for the use of Senators, Senate staff, Senate and House committees and other authorized personnel.

At this point, I would like to insert into the record a copy of a letter sent to me by the Majority Leader, Senator Mitchell, regarding the proposed move of the Senate Library from the Capitol to the Dirksen Senate Office Building. (See Appendix 1 for letter.) I have been working closely with Senator Ford to find adequate space for the Library.

It is my intent to hire a professional in the field of library design to assist in ensuring that this move results in a Senate Library which once again has its entire collection of materials on site, which is more accessible to Senators, which is able to respond more quickly and thoroughly to Senators or staff requests, and, finally, which provides the Library staff the working environment in which they can continue to take advantage of technological changes in library science to better serve the Senate. We expect to review all available technologies from computerization to compact, moveable shelving to maximize service and space with reasonable cost.

Demand for the Library's services continues to grow. Comparisons between some of last year's activities and this year's show a 30% increase in the total number of all inquiries handled; a 70% increase in database searching; total acquisitions increase of 4%; cataloging output increase of 13%; photocopying increase of 5%; and a 75% increase in visitors to the Senators' Reading Room.

A major problem dealt with during the year was the damage from water and mold to books stored in the warehouse in Franconia.

LEGIS Services

The LEGIS staff answered over 90,000 requests from Senate offices for information about the subject matter, sponsorship, and status of bills, resolutions and public laws and about Senate action on treaties and nominations. This level of activity represents not only a 35% increase over the previous year, but also the busiest year since the all-time record of almost 98,000 calls was set in fiscal year 1984. The LEGIS staff also registered its busiest single day when it handled 553 calls on June 27, eclipsing the previous record of 545 on September 29, 1986.

LEGIS INQUIRIES, 1979-1988

Fiscal Year	Congress/ Session	Number of Inquiries	Change From Previous Year	Change From Same Session of Previous Congress
1979	96/1	46,635	-17%	+20%
1980	96/2	79,072	+70%	+40%
1981	97/1	61,643	-22%	+32%
1982	97/2	89,860	+46%	+14%
1983	98/1	77,352	-14%	+25%
1984	98/2	98,845	+28%	+10%
1985	99/1	59,605	-39%	-23%
1986	99/2	74,506	+25%	-25%
1987	100/1	67,610	- 9%	+13%
1988	100/2	90,733	+35%	+22%

Reference Service

The four Reference Librarians handled over 15,000 requests, an 8% increase in the number of requests for legislative materials, biographical information on nominees and others, background information on a wide variety of topics, computer searches for magazine and newspaper articles, quotations, voting information and statistics. June was the busiest month in FY88 with more than 1,500 inquiries.

REFERENCE INQUIRIES, 1979-1988

Fiscal Year	Congress/ Session	Number of Inquiries	Change From Previous Year	Change From Same Session of Previous Congress
1979	96/1	9,206	+17%	+38%
1980	96/2	12,644	+37%	+61%
1981	97/1	12,227	- 3%	+33%
1982	97/2	13,442	+10%	+ 6%
1983	98/1	12,102	-10%	- 1%
1984	98/2	13,172	+ 9%	- 2%
1985	99/1	11,129	-15.5%	- 8%
1986	99/2	12,589	+13%	- 4%
1987	100/1	14,164	+13%	+27%
1988	100/2	15,276	+ 8%	+21%

Senators' Reading Room

Visitors using the Senators' Reading Room totaled over 5,600 this year, an increase of 75% over the previous year and the largest number of users since 1980.

Cataloging Unit

The cataloging staff produced a total of more than 5,000 cataloging records, an increase of 13% over the previous year. These records were added to the Senate Library Computerized Catalog (SLCC) on an accelerated schedule, as the updates were shifted in the beginning of the year from a monthly to a weekly basis.

Binding and Conservation Unit

In addition to routine binding and processing that the Bookbinders/ Conservation Specialists do for the Library, the volume of which was greater than last year, several special projects were also performed.

The Bookbinder/Conservation Specialist evaluated the condition of paper in the early volumes of our reference set of the U.S. Statutes at Large and determined that the pages had become so brittle as a result of acidification that they were beyond repair; this determination resulted in our decision to purchase replacement volumes from a reprint collection. The Bookbinders rebound our much used reference set of Congressional Record Index volumes. Early in the fiscal year the Conservation Specialist worked with the Librarian to complete the latest revision of the "Senate Library Disaster Preparedness and Recovery Plan."

The Conservation Specialist, his Assistant, and a Bookbinder detailed to the Library from the Government Printing Office were instrumental in limiting loss of volumes of the Congressional Serial Set, which were damaged during the leak in our storage area at the Franconia Warehouse.

Library Renovation

In March, renovation work in the Library's book storage space in the attic of the Capitol was started. This space has not been improved since 1900 when it became the library stack area. The purpose of the renovation is to resolve the problem of weight overload on the floor of the attic.

The original plan called for the renovation to be carried out in three phases. The first phase was begun in March of last year and was just recently completed. Additional phases of this renovation plan have been canceled because of the impending move of the Senate Library.

Off-site Storage

Library of Congress Storage Area

The problem of mold development on books stored in the vault space in the Adams Building in the Library of Congress, which occurred during the last fiscal year, was temporarily resolved by measures taken to stabilize the humidity levels in the space. The Librarian of Congress and the Architect of the Capitol have been very helpful. In June, the Architect's Office began preliminary studies to improve ventilation, lighting, fire protection and access. Actual work began during the first quarter of calendar year 1989.

GSA Warehouse in Franconia

In January 1988, the Library moved 20,000 books to the newly assigned GSA warehouse storage space Franconia, Virginia. Unfortunately, in May, the warehouse roof leaked, and heavy rains and high temperatures caused water and mold damage to several hundred volumes in the collection. Library staff were able to limit losses to approximately 130 irreparably damaged volumes. The Bookbinder/Conservation Specialists dried, cleaned and repaired almost 1,000 volumes.

GSA efforts to repair the roof to prevent further leaks have been unsuccessful. Consequently, the Sergeant at Arms' Office procured a new storage area for the Library in a warehouse in Alexandria, and we hope to move the books to this new space shortly.

Publications

In the spring, the Senate Library published and distributed to Senate offices a final edition of "List of Committee Hearings, Committee Prints and Publications of the United States Senate, 98th Congress, 1983-1984."

In June, a revised and expanded edition of the "United States Senate Library Resources Directory" was produced.

In September, staff began compiling information relating to the vetoes occurring during President Reagan's second term. This effort will lead to a complete revision of Presidential Vetoes, 1789-1988, which will be published in 1989.

OFFICE OF SENATE SECURITY

The Office of Senate Security (OSS) was established by Senate Resolution 243 (100th Congress, 1st Session). The office is responsible for the administration of information, personnel, communications and computer security programs in Senate Offices. In addition, OSS serves as the Senate's liaison to the Executive Branch in matters relating to the security of classified information in the Senate.

Senate Security Manual Adopted

A draft Senate Security Manual was submitted in June to the Leadership and the Chairman and Ranking Member of the Committee on Rules and Administration, for their approval. The Manual was approved and circulated to all Senators, Committee Chairmen, Ranking Minority Members, and Officers of the Senate. It details a comprehensive security program for the Senate, addressing personnel, document, communications, and computer security. OSS has begun implementation of the Manual's regulations in all Senate offices affected. The Manual took effect on January 1, 1989; essentially all offices now are in compliance.

Security Awareness Program

The first two sessions of Topical Briefings on security matters have been completed. In addition, OSS now provides Initial Security Briefings to Senate employees at the time a security clearance is first granted. A full program of mandatory security briefings is included in the Security Manual.

Training the staff designated to be security managers in Senate offices and committees, as required by the Security Manual, was completed in time to meet the January 1989 effective date of the Manual. Briefings on security matters for new Senators were conducted during the Orientation Program. Training of Security Managers for newly elected Senators was conducted in January and February of 1989.

Security Clearance Registry

A central registry of all Senate employees holding security clearances has been compiled. The registry serves primarily as a control mechanism to regulate access by Senate employees to classified information. In the past, no such central registry was available, as Senate employees are granted clearances by eight different departments and agencies of the Executive Branch.

The Secretary submitted to the Leadership a report on the number of security clearances held by Senate employees, and made several recommendations regarding the feasibility of reducing that number. Those recommendations were adopted as Senate policy and were included in the Senate Security Manual.

Document Security

A uniform document control system for Senate offices is included in the Security Manual. OSS conducted a survey of all Senate offices to determine the procedures of each for the receipt, control, handling and storage of classified information.

Telecommunications

The Secretary recommended to the Chairman and Ranking Member of the Committee on Rules and Administration an allocation of new secure telephones among Senate offices. That recommendation was approved, and installation of the secure phones is underway.

SENATE STATIONERY ROOM

The Stationery Room acts as purchasing agent for stationery supplies, and maintains adequate inventory to meet Senate office requirements.

Cash and Charge Sale Transactions

The Senate Stationery Room completed FY88 with gross sales of $4,145,322.69, an increase of $1,066,800.60 or 35% over FY87. Total sales transactions for cash and charge sales combined amounted to 107,266, an increase of 8,403 or 8% over FY87 transactions.

Cash transactions for the First Quarter of FY89 amounted to $483,488.57, an increase over First Quarter sales in FY88 of $84,515.47.

During FY88, the Stationery Room generated 7,762 Purchase Orders for Stock and Special Order merchandise and processed 1,350 vouchers for payments to vendors.

OFFICE OF INTERPARLIAMENTARY SERVICES

The Office of Interparliamentary Services (IPS) is responsible for administrative, financial, and protocol functions for all interparliamentary conferences in which the Senate participates by statute; for special interparliamentary conferences in which the Senate may participate on an ad hoc basis and for special delegations authorized by the Majority and/or Minority Leader. This office provides appropriate assistance as requested relative to other Senate delegations.

This past fiscal year, IPS handled administrative arrangements for the North Atlantic Assembly; Mexico-United States Interparliamentary Group; Canada-United States Interparliamentary Group; and the Interparliamentary Union. Administrative arrangements also were made for two Leadership sponsored observer Groups--the Arms Control Observer Group and the Central American Negotiations Observer Group. In addition, IPS handled an exchange with the British-American Parliamentary Group in December 1988.

As in the past, all foreign travel authorized by the Leadership, for Senators and staff, is supported and monitored by Interparliamentary Services. Also, Senators and those staff authorized by committees to travel continue to call upon the IPS staff for assistance in connection with official travel.

IPS receives and prepares for printing the quarterly financial reports for foreign travel from all committees in the Senate. IPS staff prepare these reports for the Majority Leader, the Republican Leader, as well as the President pro tempore.

The Leadership, many Senate committees, and individual Senators, utilize IPS staff in the area of protocol. This office maintains regular contact with the Office of the Chief of Protocol, Department of State, and with various embassies throughout Washington, and IPS frequently sets up programs in the Senate for groups of foreign visitors involving appropriate Senators and senior staff members. Required records for expenditures on behalf of foreign visitors pursuant to Section 2 of H.R. 1827-33 are maintained by this office.

OFFICE OF PUBLIC RECORDS

The Office of Public Records receives, processes, and maintains records, reports, and other documents filed with the Secretary of the Senate involving the Federal Election Campaign Act, as amended; the Federal Regulation of

Lobbying Act; the Senate Code of Official Conduct: Rule 34, Public Financial Disclosure; Rule 40, Registration of Mass Mailing; Rule 41, Political Fund Designees; and Rule 41(6), Supervisor's Reports on Individuals Performing Senate Services; and Foreign Travel Reports.

The office provides for the inspection, review, and reproduction of these documents. From November 1987, through October 1988, the Public Records office staff provided in-office help to more than 1,900 individuals seeking information from reports filed with the office. This figure does not include assistance provided by telephone, nor help given to lobbyists attempting to comply with the provisions of the Federal Regulation of Lobbying Act. A total of 272,140 photocopies were sold in the period.

Federal Election Campaign Act, as Amended

The Act requires Senate candidates who sought election in 1988, to file quarterly, pre-election and post-election reports. Senate candidates running for office in a year other than 1988 are required to file semiannual reports. Filings totaled 8,066 documents, containing 89,324 pages.

Federal Regulation of Lobbying Act

Of the 27,717 lobbyists registered under the Act, 5,590 lobbyists are currently active and reporting to the office on a quarterly basis. From November 1987 through October 1988, 28,933 reports totaling 58,066 pages were filed, processed and made available to the public.

Public Financial Disclosure

The filing date for Public Financial Disclosure Reports was May 16, 1988. The reports were made available to the public and press by Friday, May 20th. Copies were provided to the Select Committee on Ethics and the appropriate State officials on the same day. A total of 1,185 reports were filed containing 18,900 pages. There were 620 requests to review or receive copies of the documents.

Registration of Mass Mailing

Of the 93 Senators who were required to register mass mailings under Senate Rule 40, the number of pages filed exceeded 6,300.

SPECIAL DEPUTY, FEDERAL ELECTION COMMISSION

The Special Deputy is authorized to carry out the responsibilities of the Secretary of the Senate in his capacity as an ex-officio member of the

Commission. The responsibilities of the Special Deputy include participation in open and executive sessions of the Commission.

Liaison aspects of the Special Deputy's role with respect to the Commission and the Senate include responding to numerous requests from Senators' offices for information ranging from providing documents from the Commission's Office of Public Disclosure to answering questions pertaining to the Federal Election Campaign Act.

Federal Election Law Seminar

On September 21, 1988, the Special Deputy participated in a seminar for Senate staff on Federal Election Law Update for the 1988 election. The seminar was sponsored by the Senate Sergeant at Arms and the Secretary of the Senate.

Meetings

The Commission conducts most of its activities through regularly scheduled meetings, both in executive and open sessions. Executive sessions focus mainly on resolving compliance matters, reviewing audits and dealing with the internal workings of the Commission. The Commission held 38 executive sessions from January 1 through November 3, 1988.

Other matters, such as promulgating and revising regulations and issuing advisory opinions, are conducted in open session. The Commission held 33 open meetings from January 1 through November 3, 1988. The Commission issued 35 Advisory Opinions in FY 1988. There were nine Advisory Opinions pending at the end of FY 1988. The Commission held one special session in 1988 and one public hearing on November 16th. No other public hearings were held in 1988.

Congressional Oversight

The Commission made five formal appearances before various committees during 1988. These included the Senate Committee on Rules and Administration; the Committee on House Administration; the House and Senate Appropriations Subcommittees on Treasury, Postal Service and General Government, and the House Administration Subcommittee on Elections.

SENATE HISTORICAL OFFICE

The Historical Office develops and executes research, information, and publication programs to promote public awareness and interest in the Senate's history and provides assistance on organization and preservation of Senators' personal papers and official committee records.

Senate Foreign Relations Committee Historical Series

The Associate Historian continued editing the previously closed and classified hearings of the Senate Foreign Relations Committee. Volume XVI, covering 1964, was published in February 1988. Volume XVII, covering 1965, is currently undergoing declassification and should be published in early 1989.

Oral History

For the past decade the Senate Historical Office has conducted oral history interviews with retired Senate staff members. To date, 19 interviews have been completed and transcribed into more than 5,500 pages. These transcripts have been deposited in the Senate Library, the Library of Congress, the National Archives, and other appropriate research institutions to assist researchers working on the Senate's history since World War II. The most recent interviews in the series were with George Tames, who photographed Congress for the New York Times from 1945 to 1985, and with F. Nordy Hoffmann, who served as Senate Sergeant at Arms from 1975 to 1981. In addition, previously closed portions of an interview with Ruth Young Watt, former chief clerk of the Permanent Subcommittee on Investigations, were opened for research in January 1988.

Senate Committee Records Management and Disposition Assistance

The Senate Archivist provided extensive archival and records management assistance to all Senate committees and subcommittees during the past year. This service included identification of permanent records, administrative and professional staff briefings, record surveys, assistance with the preservation of information on computer systems, and preparation of files for transfer to the National Archives. Over the course of the year, the Archivist visited records' administrators on each committee to discuss recordkeeping problems and to provide information about the Senate's archival program.

A Records Management Handbook for United States Senate Committees was published during the past year. This volume brings together for the first time recommendations for records creation, maintenance, and disposition of both textual and automated records of Senate committees. It covers the areas of records definition, committee organization and functions, records disposition, the management and disposition of automated records, the management of sensitive and classified information, files management techniques, micrographics, records transfer procedures, and public access.

The volume is used as a text in staff seminars and serves to regularize records disposition throughout the Senate. A pamphlet, "Senate Records Guidelines for Committee Staff," was produced to accompany the handbook.

Senators' Office Records Management Assistance

Assistance to Members during the past year included surveying and identifying records of historical value, preservation of electronic records, locating repositories, reviewing deeds of gift and deposit agreements, providing assistance with records transfers, and serving as liaison with Congressional repository archivists around the country. Extensive help with file transfers was provided to Members departing the Senate at the end of the 100th Congress.

Senate Photographic Collection

As part of a long-term goal to improve and expand the office's general photo files, the Photo Historian has screened, identified and created files for approximately 75% of the more than 8,000 photo prints donated to the office by the widow of a former Senate photographer. The Photo Historian continues to record events of potential historical significance and to assist other Senate offices as requested.

CURATOR OF ART

The Office of Senate Curator was established in 1968 to implement the policies of the U.S. Senate Commission on Art. Its responsibilities are closely related to the museum programs of the Senate wing of the Capitol and the Senate office buildings. The Curator and staff suggest acquisitions, provide appropriate exhibits, engage in research, and write and edit publications. In addition, the office studies, identifies, arranges, protects, preserves and records the historical collections of the Senate, including paintings, sculpture and furnishings, and exercises supervisory responsibility for those chambers in the Capitol formerly under the jurisdiction of the Commission on Art and Antiquities.

Senate Exhibits

In May of last year, the exhibition "What This Country Needs...: The Senate in an Age of Advertising," opened in the principal north-south corridor of the Senate wing's first floor. This exhibit was made up of 50 objects, bearing representations of the U.S. Senate, the Capitol building, and individual Senators which appeared in 19th and 20th century advertising campaigns; a patchwork of images documenting America's changing attitudes and taste. While many of the items on display were from the collection of the Senate, the exhibit also drew on the holdings of the Library of Congress, Smithsonian Institution, Columbia Historical Society, Johns Hopkins University and private collections. A commemorative poster from the period of World War I was produced in conjunction with the exhibition, and copies were distributed through the offices of the Members of the Senate. The creation of a new exhibition area for the Capitol required the cooperation of a number of offices in implementing the design, fabrication and installation of the modular display cases. Represented in this joint effort were the Senate Sergeant at Arms' Facilities and Financial Management Department, Senate Cabinet Shop, and the Architect of the Capitol's Electronic Engineering Division, Paint Shop and Electrical Shop.

With the advent of the inauguration of the 41st President, the exhibition "Hail to the Chief!: Popular Views of Presidential Inaugurations, 1853 To 1905" was installed in the Senate wing of the Capitol. The display presented original engravings from the Senate collection, and was sponsored by the Joint Congressional Committee on the Inaugural Ceremonies and the U.S. Senate Commission on Art. Concurrent with the opening of Hail To The Chief! was the publication of a folio of ten reproduction prints of woodcuts featured in the exhibit.

The exhibition area maintained by the Commission in the crypt of the Capitol building was modified in fall 1988 in preparation for a new exhibit chronicling the history of the seal of the U.S. Senate. This colorful presentation examines the design, customs and usage associated with seals of the Senate since their introduction in 1798.

Arts Collection

The Commission on Art acquired several additions to the fine arts and decorative arts collections during the past year. A stained and leaded glass rendering of the official seal of the Senate was installed in the central portion of the circular window located on the East Senate stairway. This is one of two windows designed and executed for the Senate wing in 1859-60. Early in this century, the window's eagle and shield panel was accidently destroyed and, as a temporary measure, a circle of opaque glass was substituted. The recent addition is a faithful interpretation of the design, color and technique utilized by the Philadelphia studio which created the original window.

The collection of engravings featuring views of the Senate was enhanced by the addition of numerous examples. Significant among them was A. H. Ritchie's steel engraving of "The First Reading of the Emancipation Proclamation." This 1866 work was based on F.B. Carpenter's monumental painting which hangs in the west staircase of the Senate wing. The Senate's collection of Brumidiana was increased with the acquisition of archival material assembled by the artist's family over the last century.

Collections Management

The regular examination of the works which form the collections of the Senate, combined with the resulting condition reports, encourages the redress of minor problems before they become critical. Recently, a small fissure in the canvas "Leiv Eriksson Discovers America" was repaired, and the 19th century mosaic portraits of Abraham Lincoln and James Garfield were restored to their original condition. At the request of the Commission, a team of fine arts conservators examined several paintings whose present condition indicates the possible need of restoration procedures. This documentation will support a revised conservation schedule for these important works.

The Old Senate and Supreme Court chambers offer two of the most significant links to the building's historical, political and cultural heritage. Through a series of exhibits chronicling the annals of these sites, and the publication of monographs documenting notable events and their celebrated participants, Congressional staff and public alike have gained new understanding of our legislative and judicial legacy. Sustaining these programs, and of paramount importance to their success, are the efforts of several offices in the Capitol, working together on the daily maintenance, security and interpretation of the Old Senate and Supreme Court chambers. To this end, the staffs of the Senate Sergeant at Arms, Capitol Guide Service, Police and Architect of the Capitol have made significant contributions during the past twelve months.

BICENTENNIAL PLANNING

Curator of Art

This past year was the second in the five year bicentennial commemoration of our Federal Constitution. (See Appendix 2 for calendar of events.) It marked a period of intense preparation by the staff of the Curator's office, the Senate Historical Office and the House Bicentennial Office, for the 1989 celebration of the convening of the first U.S. Senate and House of Representatives. To date, more than 25 events have been planned for the 101st Congress as it begins its third century. Included in the two year observance are ceremonial sessions of the Senate and House, the premiere of a documentary film on the U.S. Congress, the opening of four major exhibitions on the origins and development of the federal legislature (the most notable of which is the exhibit illustrating the Senate's history through display of original documents, paintings, sculpture and memorabilia), the publication of several landmark books, the convening of scholarly symposia and conferences on the Congress, issuing of commemorative postage stamps, and the presentation of a series of feature films, documentaries and public affairs programs which have focused on the Senate in fact and fiction during the past century.

Historical Office

The Historical Office devoted a major portion of its energies in 1988 to preparing for the Senate's 1989 bicentennial. The following projects were undertaken in association with this anniversary.

Biographical Directory of the United States Congress

Planned as a major contribution to the commemoration of the Congressional bicentennial, the Biographical Directory of the United States Congress went to press on September 15, 1988, after five years of research and editing. Authorized by S. Con. Res. 85 (99th Congress), the volume contains brief biographies of the more than 12,000 men and women who have served in Congress over the past two centuries. The authorizing resolution assigned to the Historical Office editorial responsibility for the nearly 1,800 entries for Senators, Vice Presidents, and House members who also served in the Senate.

Bibliography of Works By and About Senators

During the past fiscal year, work continued on a bibliography of works by and about former Senators. This information will be published in 1989 as a major reference book. The bibliography files, currently consisting of approximately 2,500 entries, have facilitated quick responses to regular requests from Senate offices, scholars, and the public.

Guide to Research Collections of Former United States Senators

Throughout the past year work proceeded toward publication of a second edition of the Guide to Research Collections of Former United States

Senators. The Guide, first published in 1983, and its 1987 supplement, have become standard reference sources for the study of American political history. Since 1983, more than 400 new or recently discovered Senatorial collections, changes in status of collections, and changes in statistics such as dates of death, have been gathered and organized for inclusion in the new edition. The new edition of the revised Guide is scheduled for publication during the 101st Congress.

Senator Robert C. Byrd's Addresses on the History of the United States Senate

Since 1980 Senator Byrd has delivered to the Senate more than 100 addresses on the Senate's history, procedures, and traditions. The Historical Office has undertaken extensive research in primary and secondary sources to provide material suitable for this unique series. In 1987 Congress authorized publication of these addresses as a Senate document (S. Con. Res. 18, 100th Congress) in honor of the Senate's bicentennial. A professional editorial staff, working within the Historical Office, has completed work on Volume One, which includes 39 chapters spanning the Senate's entire chronological history. Work on Volume Two, which will have a topical focus, is also well underway.

Senator Bob Dole's Senate Bicentennial Minutes

In January 1987, Senate Republican Leader Bob Dole inaugurated a series of "Senate Bicentennial Minutes" to commemorate the first 200 years of the Senate's history. During both sessions of the 100th Congress, he delivered 296 of these brief addresses, selected and prepared by the Historical Office. Each address focused on a personality or event significant to the Senate's institutional development. This series will be published in April 1989, as a 300-page clothbound volume, under authorization of S. Con. Res. 146 (100th Congress).

Guide to Senate Records at the National Archives

In 1984 the Legislative Archives Division of the National Archives, in cooperation with the Historical Office, began work on a publication intended to provide easy access to the 2,300 cubic feet of Senate records in its custody. The guide, describing Senate records from the First Congress down to recent times, is scheduled to be published as a Senate Document early in 1989, as provided by S. Con. Res. 64 (100th Congress). It will be a major contribution of the National Archives to the Senate's 200th anniversary.

STATUS OF COMPUTER USAGE

Automation of the offices under the Secretary's jurisdiction which produce the Senate Journal and various portions of the Congressional Record has been a top priority because of the opportunities for sizeable savings in the Senate's overall printing costs, greatly improved efficiency in getting the documents to publication and timeliness in making the publications available. During this past year, several projects have been successfully completed and others have been initiated.

Specifically, the composing phase of the publication of the Senate Journal, has been automated; a project accomplished with the cooperation and support of the Government Printing Office. Journal staff were able to complete preparation and editing of the Senate Journal months ahead of any previous production date because of this automation effort. More significantly, automation of the Journal saved the Senate nearly $200,000 in printing costs for just this one year.

Automation of the Daily Digest office is nearly complete. We anticipate being able to transmit the Daily Digest portion of the Record electronically to GPO in the near future. Savings in per page printing costs are anticipated to be approximately at the same level we experienced in automating the Senate Journal.

Among our most ambitious projects has been automating the Office of the Official Reporters of Debates. Official Reporters, working closely with the Appropriations and Rules Committees, started phase 1 of this project, the pilot test, with the opening of this session. Some Reporters now are using Computer Assisted Transcription (CAT) equipment in the Senate Chamber. We hope to have all Reporters using the CAT equipment by the end of this summer. All information produced by the Official Reporters' Office then will be in electronic form and could be transmitted to GPO electronically for daily production of the Record. We expect Congressional Record production costs to be greatly reduced when the final phase of this project, electronic transfer to GPO, is completed.

A printing system pilot project has been underway in the Office of Printing Services. Savings during this pilot test indicate composition costs were decreased from as much as $126.00 per page to $1.00 per page for some documents and from $84.00 to $14.00 per page for more complex documents. It was envisioned at the start of this pilot project that Senate committees would employ this or a similar system to lower their printing costs. The test conducted by the Office of Printing Services was successful and this pilot test is now being expanded to other Senate offices. Both the Curatorial and the Historical Office staffs used this computer service to prepare publications for electronic transmission via the Office of Printing Services to GPO for printing, thus saving composing costs and significantly improving turnaround time.

We completed upgrades to the Stationery Room's computer system and now anticipate that this system will be able to operate for the next few years without further significant investment even though the Stationery Room continues to show record sales.

Disbursing Office's new Payroll/Personnel system continues to function smoothly. However, with such important systems, we continue to monitor performance closely and plan for the future as technologies and demand change.

In August of this past year, the Disbursing Office converted to a new accounting system--"Disbursing Office Voucher Entry System" (DOVES), which has been in development for three years. This major undertaking was the first custom-designed and developed PC system for the Senate. Finally, the Disbursing Office assisted with the development of a computerized accounting system for Senate committees which is expected to be operational shortly.

As a result of these automation efforts, approximately 50% of the Secretary's staff who need terminals or personal computers now have them. Rules Committee authorization guidelines state that each staff member of a Member or committee office is entitled to a workstation and we hope to be in compliance with those guidelines. In consultation with the Rules Committee and this Subcommittee, technical support will be added to this Office's staff to ensure systems are fully operational at all times and to assist with planning, design and support as we become increasingly computer dependent.

The Secretary's Office is in the process of designing and installing a PC based local area network (LAN) which will electronically integrate the various offices under the jurisdiction of the Secretary to improve our internal efficiency and to better serve the Senate and its Members. We appreciate the support and assistance of the Senate Rules Committee, this Committee, and the Sergeant at Arms' Senate Computer Center. As the Senate moves toward this new technology, we are pleased to participate at this early stage.

SEMINARS AND ORIENTATION PROGRAM

During 1988, the Office of the Secretary, in conjunction with the Office of the Sergeant at Arms, continued to provide seminars several times a month to Senate staff on such subjects as Records Management in Senate Offices; Legislative and Parliamentary Procedure in the Senate; the Amendment Process; Authorization and Appropriations Process; Conference Committee Procedures; the Budget Process; the Federal Election Commission; Ethics and Reporting Requirements; Legislative Counsel; Voucher Preparation; Services of the Library; Supervising Interns; Security Procedures; Handling the Mentally Ill Visitor; Self Defense (for those who work after hours); Resume Workshops; Effective Writing; Closing a Senate Office; Archival Disaster Plans; Office Organizational Skills; How to Use the Telecommunications Device for the Deaf; and History and Traditions of the Senate. In addition, working lunches were held several times during the year for personal secretaries, receptionists and chief clerks. Through the Seminar Program, assistance was provided to CRS with District/State Staff Institutes which were held several times last year.

The Intern Orientation Program was revised to include a slide presentation in conjunction with the orientation lectures. Last year, the program provided orientation for interns arriving in the fall, winter, and spring, as well as summer interns. Over 700 interns took part in the program in 1988.

The Orientation Program for Senators-elect was held on November 28th and 29th. The two-day program introduced the Senator-elect, spouse, and two staff members to Senate procedures and services. They were assisted in setting up their offices and getting established in permanent office space. Seminars will be increased in January through April 1989, to accommodate the needs of new staff.

OFFICE OF THE SECRETARY OF THE SENATE

	FISCAL YEAR 1989	FISCAL YEAR 1990	INCREASE/DECREASE
SALARIES, OFFICE OF THE SECRETARY			
Total Obligations for Fiscal Year 1989	$8,165,000		
Fiscal Year 1990 Request		$8,852,000	$+687,000
Financing: Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$8,165,000	$8,852,000	$+687,000

EXPENSES, OFFICE OF THE SECRETARY

	1989 Appropriation	1990 Budget Request	Increase/ Decrease
Historical Office:			
Books and Documents	$ 1,900	$ 1,900	-0-
Photographic Supplies	6,200	6,200	-0-
Library:			
Online Information Services	50,400	50,400	-0-
Microform Publications	23,000	23,000	-0-
Books	10,000	10,000	-0-
Subscriptions	15,000	15,000	-0-
Standing Orders	11,000	11,000	-0-
Bindery Materials	1,000	1,000	-0-
Office of Senate Security:			
Maintenance contract for alarm system	4,000	-0-	- 4,000
Travel and Registration Fees (Public Law 94-59)	19,000	19,000	-0-
Substitute Reporters and Transcribers (Public Law 89-90)	19,100	10,200	- 8,900
Office of Public Records (Public Law 92-342)	23,900	10,000	-13,900
Consultants (not more than two) (Public Law 95-26)	49,500	49,500	-0-
Legal Reference Volumes and Dictionaries (Senators' Offices) (Public Law 92-51)	65,000	65,000	-0-
Contractual Legal and Administrative Services and Miscellaneous Expenses	57,800	57,800	-0-
Disbursing Office: Payroll Forms, Notary Fees and Supplies, Insurance	29,000	29,000	-0-
Orientation and Training (Public Law 95-94)	4,000	4,000	-0-
Newspapers	33,000	33,000	-0-
Senate Service Awards (Senate Resolution 21, Sept. 10, 1965)	18,000	18,000	-0-
Postage	5,700	1,200	- 4,500
Education of Senate Pages (Public Law 98-51, as amended and S. Res. 184, July 29, 1983 and P.L. 98-125)	200,000	225,000	+25,000
Stationery	28,200	32,000	+ 3,800
Senate Commission on Art (P.L. 100-696, November 18, 1988)	27,500	30,000	+ 2,500
Representation Expenses (Public Law 100-71, July 11, 1987)	25,000	25,000	-0-
Total Obligations	$ 727,200	$ 727,200	-0-
Financing: Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$ 727,200	$ 727,200	$ -0-

SUMMARY OF APPROPRIATIONS REQUESTED

Salaries (salaries, officers, and employees)	$8,165,000	$8,852,000	$+ 687,000
Expenses	727,200	727,200	-0-
Total Obligations			
Total Financing Less unobligated balance, start of period	-0-	-0-	-0-
TOTAL APPROPRIATION	$8,892,200	$9,579,200	$+ 687,000

EXHIBIT 1

United States Senate
OFFICE OF THE SECRETARY

March 8, 1989

The Honorable Walter J. Stewart
Secretary of the Senate
United States Senate
Washington, D.C. 20510

Dear Joe:

As you know, I have been working with others in the Senate seeking additional space in the Capitol Building to meet the needs of Members and Committees for Capitol meeting and office space.

In this regard, I would appreciate your meeting with the Chairman of the Senate Rules Committee, Senator Wendell Ford, to discuss the possibility of moving the Senate Library from the Capitol Building to the Dirksen Building. With the new space which has been recently acquired by the Senate in the Old Post Office Building, some Senate functions will be moving to that location when completed and this could free up additional space in the office buildings. Therefore, this may be an ideal time for you to see if space could be obtained in the office building for the Senate Library and if so, could such a move coincide with the transfer of other Senate offices to the Post Office space.

I appreciate your cooperation in this matter.

Sincerely,

George J. Mitchell

George J. Mitchell

EXHIBIT 2

BICENTENNIAL CALENDAR OF EVENTS

JANUARY 3

PUBLICATION: Biographical Directory of the United States Congress, 1774-1989: Bicentennial Edition. A joint project of the Senate Historical Office, the House Bicentennial Office, and the Joint Committee on Printing.

JANUARY 23

EXHIBIT: "The Old Hall of the House of Representatives." Statuary Hall, U. S. Capitol. Featuring the history of the House when Statuary Hall served as its chamber from 1807 to 1857. A joint project of the House Bicentennial Office and the Office of the Architect of the Capitol.

PUBLICATION: A Guide to Research Collections of Former Members of the U. S. House of Representatives. A project of the House Bicentennial Office.

FEBRUARY

PUBLICATION: Black Americans in Congress, to be issued during Black History Month. A project of the House Bicentennial Office.

FEBRUARY 9-10

CONFERENCE: "Understanding Congress: A Bicentennial Research Conference." Sponsored by the U. S. Congress, the Library of Congress, the Lyndon Johnson Library, and the Everett Dirksen Congressional Center.

PUBLICATIONS: Guide to Records of the United States Senate at the National Archives, 1789-1989 and Guide to Records of the United States House of Representatives at the National Archives, 1789-1989. A project of the National Archives.

PUBLICATION: Respectfully Quoted: A Dictionary of Quotations Requested from the Congressional Research Service. Library of Congress.

EXHIBIT: "The Tides of Party Politics: Two Centuries of Congressional Elections, 1789-1989." Library of Congress.

FEBRUARY 20

EXHIBIT: "Congress in Stamps." Cannon House Office Building and other locations. Sponsored by the Senate and House bicentennial commissions, and the U. S. Postal Service.

FEBRUARY 22

PUBLICATION: Senator Robert C. Byrd's The Senate: 1789-1989, Addresses on the History of the United States Senate.

MARCH 2

EXHIBIT: "The First Federal Congress: 1789-1791." The National Portrait Gallery. Sponsored by the Smithsonian Institution and the U. S. Congress.

JOINT MEETING OF CONGRESS: House chamber. To commemorate the 200th anniversary (March 4) of Congress's first meeting.

MARCH 3

EXHIBIT: "American Voices: 200 Years of Speaking Out." National Archives. A celebration of two centuries of American representative government as seen through petitions from American citizens to their government.

MARCH 8-9

SYMPOSIUM: "Knowledge, Power and the Congress." Library of Congress.

MARCH 20

FILM: The Congress. Nationwide premiere on PBS Television of Ken Burn's 90-minute documentary film on Congress. 9:00 p.m., Eastern Time. Underwritten by Ameritech and produced by WETA-TV.

APRIL 4

CEREMONY: House chamber. Special session to commemorate the 200th anniversary of the first quorum of the U. S. House of Representatives.

POSTAGE STAMP: First Day of Issue Ceremony for a commemorative postage stamp in honor of the House of Representatives.

APRIL 6

CEREMONY: Senate chamber. Special session to commemorate the 200th anniversary of the first quorum of the U. S. Senate.

POSTAGE STAMP: First Day of Issue Ceremony for a commemorative postage stamp in honor of the Senate.

PUBLICATION: Senator Bob Dole's Senate Historical Almanac.

APRIL 24

PUBLICATION: The Diary of William Maclay and Other Notes on Senate Debates. First Federal Congress Project, George Washington University.

APRIL 30

CEREMONY: Federal Hall, New York City. Congressional participation in ceremonies commemorating the 200th anniversary of the Inauguration of George Washington.

MAY 30

EXHIBIT: "This Fierce Spirit of Liberty." National Archives. Documents related to the Bill of Rights.

JUNE 7

EXHIBIT: "'A Necessary Fence...' The United States Senate in Its First One Hundred Years." Produced by the Office of the Senate Curator. Sponsored by the Senate Bicentennial Commission.

JUNE 13

PUBLICATION: Women in Congress, 1917-1989. A project of the House Bicentennial Office.

SEPTEMBER 21-22

CONFERENCE: "The Judiciary Act of 1789. Co-sponsored by the Judicial Conference of the United States, Georgetown University, and the Supreme Court Historical Society.

SEPTEMBER 28

EXHIBIT: "'To make all Laws...' The Congress of the United States, 1789-1989." Library of Congress.

STATEMENT OF STUART F. BALDERSON

Mr. Chairman, I once again appreciate the opportunity to appear before your Committee to testify regarding the Budget for the United States Senate for Fiscal Year 1990.

The Budget as presented has been formulated in accordance with the requests and proposals which have been submitted by the various offices and functions of the Senate.

Included in the Budget for the United States Senate and the Budget of the United States Government are Fiscal Year 1989 supplemental requests totalling $1,217,000. The overall Budget request for Fiscal Year 1990 of $412,980,200.

is an increase of $37,369,000. over the amount appropriated for Fiscal Year 1989. An individual analysis of the budget request for all functions or offices has been included in the Senate Budget Book previously provided to your Committee.

The budget estimates for the Senate are divided into three major categories:

1. Senate Items........................ - $ 89,664,000.
2. Contingent Expense Items.... - $317,038,200.
3. Joint Items............................ - $ 6,278,000.

Mr. Chairman, the increase in the Fiscal Year 1990 Budget is a direct result of: (1) the Senate being required to absorb the cost of living increase for 1989 as authorized by Public Law 100-458; (2) the budget reduction agreement prohibiting most supplemental appropriations, even though the allowances or authorizations have been increased, causing a direct impact on the spending levels from the appropriation accounts; (3) the budget requests reflecting increases by offices and functions of the Senate, and; (4) the increased costs in agency contributions due to the increased enrollment of staff in the Federal Employees Retirement System, Social Security System and the Thrift Savings Plan.

I respectfully submit the Budget for the United States Senate for Fiscal Year 1990, for your consideration.

AUTOMATION UPDATE

Senator **Reid**. Thank you, Joe. Just in passing, the two events that you arranged last week on the bicentennial were great. I think everyone felt the same.

Mr. **Stewart**. Thank you.

Senator **Reid**. Last year before this subcommittee, we had a brief discussion on the efforts of your office to automate legislative functions of your office. You indicated at that time that there would be some cost savings attainable by doing that.

Bring us up to date on automation. You have indicated the Senate Journal; is that part of it?

Mr. **Stewart**. That is part of it. Last year, we were just beginning that project. Now, we can safely say that that is going to result in about $200,000 per year savings in GPO printing costs for the Senate Journal. Our most ambitious undertaking, of course, is going to be the Congressional Record, which has the most potential for cost savings. Last year, printing services staff conducted a pilot program which reduced the cost of printing some documents from something like $14 per page to $1 per page. But that was a small pilot program.

We now have put this program in place where possible, and are able to cut by one-half the cost of many printing projects. As an example, in my office we publish a list of standing committees. The cost of that publication has been cut by one-half. Printing services staff are working with individual committees and what we hope to do is electronically transmit copy down to GPO, which saves what are called keystrokes. It is resulting in substantial savings.

However, the biggest savings potential will come from automating the Congressional Record.

Senator **Reid**. Tell me about the automated Senate Journal. Has that been as a result of what you have just explained?

Mr. **Stewart**. We started that project at the very beginning of 1987. Publishing the Journal is a constitutional requirement. Everything said on the Senate floor is written down and later printed as a separate volume. Now, this process is automated which, in effect, means items, such as record votes are taken from the Congressional Record as necessary and inserted into the right spot in the Journal; so that these text items are not rekeyed three or more times. You do the work once and then it is automatically used wherever necessary.

By the way, we have been working with the House of Representatives, who have a similar system. There has been a lot of cooperation and assistance among the Senate, House, and GPO.

Senator **Reid**. Then that is what we hope to accomplish with the Congressional Record, the same principle; just a bigger volume?

Mr. **Stewart**. Yes, sir; the Congressional Record has to be retyped by hand about three times, sometimes four, before the raw copy goes to GPO. Then they have to retype it again. What we hope to use is the computer-assisted transcription technology which, in effect, automatically transcribes what is said on the floor with minimal aid from staff. When the Official Reporters complete their work, the text can be sent to GPO electronically, ready for typesetting and printing. And to the extent we can eliminate keystrokes, we also eliminate possibilities for error and the need for repeated proofreading.

OFFICE OF SENATE SECURITY

Senator **Reid**. Senate Resolution 243 established an Office of Senate Security that is directly under your jurisdiction. This resolution was enacted in the 100th Congress, to enhance the security of classified information in the Senate's possession. Part of the additional costs you are requesting this time is as a result of that resolution; is that true?

Mr. **Stewart**. Yes, sir.

Senator **Reid**. Would you explain what new responsibilities this will create for your office, then?

Mr. **Stewart**. Yes, sir; up until approximately 1½ years ago, the Senate had no centralized system for handling classified materials or processing clearances. We had eight different agencies granting clearances for Members and committees. One committee used a particular agency; another committee used another.

If a person needed to deliver a classified document to a Senate office, he would show up and ask, "Is anybody here authorized to accept a classified document?"

We now have one centralized registry for all Senate staff with clearances. Everyone in the Senate, whether committee or Member's personal staff, gets their clearance through this central process. We have one agency handling all Senate requests for security clearance.

Senator **Reid**. This is a new procedure?

Mr. **Stewart**. It is a new procedure. Ninety days before someone's clearances is to expire, the person automatically is informed that this clearance is due to expire. They are asked to contact the Office of Senate Security if the clearance needs to be updated.

When an agency wants to deliver a document to the Senate or to an individual, they call the Office of Senate Security to find out who is authorized to receive such a document in a particular office and if that person has a valid clearance.

If something needs to be delivered late at night, staff in the Office of Senate Security are available. In the past when it was necessary to have classified information available to Members of the Senate the administration has been very reluctant to release such information. Now they are confident in our procedures and are pleased with the structure of the Office of Senate Security.

Of course, the need now exists to move into an area of secured telephones and computers; but rather than start off with a massive program, we are moving one step at a time. To date, we have had no complaints from any Member or committee chairman. It is working, we think, in a good fashion.

OFFICE OF INTERPARLIAMENTARY SERVICE

Senator **Reid**. You are requesting funds to continue the Office of Interparliamentary Services?

Mr. **Stewart**. Yes, sir.

Senator **Reid**. As I understand, the primary function of this office is to coordinate and monitor travel arrangements for the

Senate's participation in interparliamentary conferences. I am familiar with this; but for the record, I would like you to explain the purpose of interparliamentary services, and what function it serves for this country.

Mr. STEWART. The leadership set this office up about 7 years ago. All travel in the Senate is authorized by either committee chairmen, the President pro tempore, or the majority or minority leaders. All leadership, President pro tempore and, in some cases, committee travel, is directly supported and managed by the staff of the Office of Interparliamentary Services.

Interparliamentary staff support all leadership trips. They keep the financial records and provide logistical support. And as you know, when Senators visit a foreign country, the State Department no longer absorbs all of the expenses. The Senate pays for any staff overtime and any out-of-pocket expenses. Before we leave each post, we determine what our fair share of the costs are.

Sometimes that is a matter of conjecture; but we have become fairly expert in knowing what we should and should not pay for. At the completion of the trip, IPS staff file all the necessary reports and ensure Members are correctly accounting for any funds.

In January of this year, Senators Mitchell and Dole issued new foreign travel guidelines; and these, of course, will compound IPS staff's duties somewhat. Besides that, we have the IPU, the Mexico IPU, Canada IPU, and the arms control and the Central American observer groups. They handle the travel and logistical arrangements for those groups as well.

When foreign dignitaries visit the Senate, as in the case of King Hussein, President Mubarik, Prime Minister Shamir; all arrangements are coordinated through that office. IPS staff perform a very needed function for the Senate.

CHILD CARE, MATERNITY AND PATERNITY LEAVE

Senator REID. Switching gears a little bit, does the Office of the Secretary of the Senate have policies in place with respect to child care and maternity and paternal leave?

Mr. STEWART. We do have a policy in place for maternal leave. It is 8 weeks at full salary. Our child care policy is not formalized, although we have a track record of generousity and try to be very lenient, especially as it applies to employees with children in times of crisis.

Senator REID. One other thing that the subcommittee is looking into is if we can work with your office and other interests to try to come up with some program for Senate employees.

Mr. STEWART. We would welcome that and certainly would be pleased to cooperate.

SENATE LIBRARY

Senator REID. As I understand last year's testimony, you reported on humidity problems with the library's facility in the Adams Building and the Library of Congress, which caused mold to form on many of the library's books. And you indicated that you thought that you had been able to rectify that problem.

Was it rectified, or are there further problems?

Mr. STEWART. It was rectified. The Architect of the Capitol, in cooperation with the Librarian of Congress, took immediate steps to temporarily solve this problem, and those steps are still in place. The humidity problem was caused by construction in the Library of Congress' Adams Building.

Also, the books themselves have been treated. We did not suffer any lasting damage from that incident, but are awaiting a final solution. The Architect's changes are in place and we have no further problems right now.

Senator REID. In your statement, you indicated that the Senate library's collection of materials that are stored in a warehouse in Virginia have been damaged?

Mr. STEWART. Yes, sir.

Senator REID. Explain that, would you?

Mr. STEWART. Senator, first let me state that the Senate library has the most complete record collection of legislative materials, pertaining to the Senate, than any other collection in the world, even in the Library of Congress. That collection, at the present time, is in three places: Upstairs, in the Senate, on the third and the fourth floors of the Capitol; in the Library of Congress; and in the warehouse in Franconia.

The Sergeant at Arms secured that space with GSA. It developed a roof leak and damaged some of our volumes. Unfortunately, we are going to lose about 130 volumes which are irreplaceable. We are searching to see if we can replace them; but those volumes are very rare.

Repairs have been made on that facility. Our bookbinder dried about 1,000 volumes by hand. But we will be getting new space, hopefully as soon as possible, so that we can move out of this warehouse.

Senator REID. In short, everything is being done that can be done to protect those books that have been damaged?

Mr. STEWART. Well, in retrospect, I think perhaps a better job could be done in surveying the warehouse space. When the new warehouse space is made available, even though GSA is supposed to certify it, I intend to ask the Architect of the Capitol to send a representative out with a representative of the library to personally look it over before we put our books there.

Senator REID. I think that would be a good idea.

I appreciate very much your testimony. Much of what you do goes unnoticed, unheralded. You do a lot of the day-to-day things that are required, and have been for 200 years and go, as I repeat, unnoticed. So speaking for the whole Senate, we appreciate very much your work and the fine representative you are of this institution.

ADDITIONAL COMMITTEE QUESTIONS

There will be some additional committee questions which we will submit for your response.

Mr. STEWART. Thank you very much, Mr. Chairman. I look forward to working with you.

[The following questions were not asked at the hearing, but were submitted to the Office for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

Question: The FY90 budget request for the office of the Legislative Counsel of the Senate represents a substantial 69% increase over the FY89 enacted level--from $1,799,000 to $3,036,000. It is my understanding that a good portion of that increase was in anticipation of the pay increase that was denied earlier this year.

Is that understanding correct, and if so, what would be the more appropriate request level for the office?

Does that modified number provide for new positions in the office?

Answer: Your understanding is correct in that a major portion of that increase was intended to finance anticipated pay increases. The Legislative Counsel is better suited to determine an appropriate request level for his office and to provide justification for any new positions which he may want to include in his budget request. He is far more familiar than I with the day-to-day demands made on his office and the process of attracting and keeping qualified staff to serve the Senate in this capacity.

Question: Why is it necessary to maintain a separate Senate Photo Historian office? Could we not realize some savings by transferring these activities and material to the Library of Congress, the major repository for such documents?

Answer: There is no separate office of Senate Photo Historian. The Photo Historian is a single staff member employed within the Senate Historical Office.

The Senate Historical Office is the nation's major repository of historical illustrations related to the United States Senate. It is the only facility with the professional expertise to identify illustrations of former Senators and to provide relevant historical information. Since 1975, the Historical Office has created a comprehensive collection of photographs and other illustrations representing the Senate as an institution, its committees, and more than 1,500 of its 1,692 former members. These photographs have been drawn from a variety of sources. These sources include the Senate Photographic Studio, the National Archives, the Library of Congress, state historical societies, university and public libraries, older publications, and private collections. The Prints and Photographs Division of the Library of Congress possesses significant resources related to the Senate, but they are scattered through that division's many separate collections and thus are not readily or predictably accessible.

The Historical Office collection has been the principal source of illustrations for Senator Robert Byrd's multi-volume history of the Senate and for Senator Bob Dole's soon to be published Senate Historical Almanac. It is also heavily used by television stations, photojournalists, and educational publishers.

The Photo Historian also provides documentary photographic coverage of the modern Senate from a historical perspective. His insights into the operation of the Senate have already produced a useful and unique collection, whose value will increase with the passage of time.

Question: Last year you initiated a surcharge, or tax, in the Senate Stationery Room to boost revenues into the revolving fund and defray increased costs. How much additional revenue has that generated and how has it benefitted your operations?

Answer: The surcharge was put in place on July 1 of last year following Rules Committee approval. The funds are designated for purchase of computer equipment, software, training and support, shelving and for general revolving fund purposes. To date, $42,755.44 has been collected and $15,000 has been spent for the installation of upgraded terminals and related minicomputer equipment. The surcharge is allowing us to maintain our automated systems without using other appropriated funds.

Question: Your testimony addresses the utilization of "computer assisted transcription" by the Official Reporters of Debates as a new development that saves time and money. Can you expand on how that works and how the savings are achieved?

Does the new development mean improved accuracy in GPO's rendering of the Record? I noticed, for example, that the Record for the bicentennial session of the Senate repeatedly misspelled your name. The Record, in general, and other GPO products for the Congress, are frequently riddled with errors.

Do you regularly inform GPO of these errors? Have you been satisfied with the response? Do you know of any steps that have been taken to remedy the situation?

Do you have any suggestions for the subcommittee as to how we might get the attention of the GPO on this matter?

Answer: Computer assisted transcription (CAT) technology has been in use in the court reporting environment for several years and has advanced to the extent that it can be used in the Senate's unique environment. Our pilot project itself is implemented in several phases and then the technology must be integrated into GPO's procedures for the production of the Congressional Record to achieve true cost savings.

Briefly, CAT technology allows the reporter to capture electronically the verbatim transcript of floor proceedings. Once the reporter leaves the Chamber, the reporter's electronic shorthand notes are translated to English by special CAT software. Then word processing software is used for formatting, proofreading or minor error correction, such as correcting the spelling of proper or technical names used during debate.

The extraordinary cost of printing the Congressional Record can be attributed, in part, to the number of times the same information is retyped, or the number of keystrokes required, to prepare the manuscript for printing. CAT technology will allow us to reduce the number of times manuscript is retyped. The ultimate goal of the Rules Committee, Joint Committee on Printing, the GPO and my office is to capture all transcript and manuscript at the source and reduce further manipulation of the manuscript to minor error correction, proofreading and formatting, all to be done electronically.

At present, time is a major constraint in printing the Record. By reducing the duplication in keystrokes, more time can be attributed to proofreading. Also, automated tools, such as programs which check spelling, can be used. In this way, we hope to contribute to improving the Record's accuracy.

Staff in the Official Reporters' office regularly notify GPO of any errors which occur in the Record. The Joint Committee on Printing is also notified and JCP staff investigate the cause of the error and work with GPO to correct any problems resulting in errors. We are working with Rules Committee, JCP and GPO to increase the time available for proofreading, which will help reduce the error rate.

Question: Mr. Secretary, this is not a matter directly within your jurisdiction, but inasmuch as the Senate's budget is prepared under your supervision, I believe it is appropriate to ask you about the budget request for the office of the President pro tempore.

As you know, the FY89 appropriation for the office of the President pro tempore is $156,000. The FY90 request is $296,000. Can you enlighten us at all about the need for that substantial increase? Does it entail additional positions? You will recall that a similar request was considered by the Committee last year and denied, although we did approve a request for authority to hire two consultants.

Answer: Senator Nickles, as you noted, this office is not under my jurisdiction, however, I will be pleased to provide you with whatever background information I have concerning the President pro tempore's office.

The fiscal year 1989 request of $296,000 for this office was submitted by the former President pro tempore, the Honorable John Stennis of Mississippi. From a budgetary standpoint, the President pro tempore's budget has had only cost of living increases for the past 12 years.

I did have a conversation with Senator Stennis prior to his making that request in which he said he felt there was a need for the President pro tempore to play a more active role in this institution. He commented that the incoming President pro tempore, Senator Byrd, with his historical perspective and knowledge of the Senate rules could play a major role in working with the Members to improve their knowledge of the Senate and the rules under which it operates.

Certainly one of the unmet needs in the Senate today is the lack of in-depth knowledge of the Senate rules. Without showing any disrespect for anyone's knowledge, I think most Members would concur with the fact that there are very few Senators who possess the comprehensive knowledge of the Senate rules and precedents than the President pro tempore of the Senate, Senator Byrd, does.

When Members first come to my office after they are elected, I always advise them when asked, "Please spend as much time as you can reading and learning the rules of the Senate--it will help you throughout your career and it will help the Senate. The more Senators know and understand the rules, the better the Senate operates." Certainly an ideal role for the President pro tempore is to teach Members on a generic basis the rules of the Senate, to take a more active role in presiding over the Senate in a fair and impartial manner and to keep it moving in an orderly fashion. That is what I think Senator Stennis had in mind when he requested this increase.

Another aspect to be considered is that for the first time in the Senate's history, we have a President pro tempore who has been Majority Leader of the Senate. In moving from the position of Majority Leader, Senator Byrd will, in all probability, be called upon on a frequent basis to provide the Senate generally; Members individually and other Senate entities, with advice, background and historical perspective to issues and deliberations in which this body is continually engaged. Those efforts will certainly add to the responsibilities and requirements of this office.

I hope that I have been of some help to you in my comments.

Question: Over the past several years, Congress has appropriated significant sums to restore the space occupied by the Senate Library, upgrade that area for the installation of computer systems, and most recently, provide for the removal of the Law Library to the Madison Building of the Library of Congress in order to reduce excessive floor loads and create additional stack space for the Senate Library.

Can you provide us with a summary of the dollars expended over the last ten years for these physical improvements to the Senate Library?

Given these investments, and the historic nature of the area, is it wise to move the Library to other quarters in the Dirksen Building?

Has space been identified in Dirksen for the Senate Library?

Is there an estimate of the cost of moving the Library, preparing new space in the Dirksen, and altering the space in the Capitol for other purposes? Should we commit to moving the Library before we know those total costs?

Is it contemplated that the Curator, the Bookbinder, LEGIS operators, and other support activities would be moved as well?

Answer: Senator, the Architect informs me that $218,000 has been spent over the past ten years to renovate and upgrade the Senate Library. This entire sum was appropriated to fund the renovation of the fourth floor stack area, of which only phase 1 has been completed. Renovation has ceased because of the Library's pending move.

Of the $218,000 spent to date, fully three-quarters was allocated to replace air conditioning units which cool not only the Library, but offices one and two floors below the Library. Therefore, this investment now benefits and will continue to benefit whatever facility or service occupies this space in the future.

I am working with the Rules Committee to locate appropriate space for the Library in the Senate office buildings. No final decision has been made to date, but I am confident the Chairman and Ranking Minority Member of the Rules Committee will take into consideration the Library's special needs and assign adequate space to house the Library in its entirety.

As soon as the Library has been assigned space by the Rules Committee and moving and renovation costs estimates are available from the Architect, I will be happy to supply those figures to the Subcommittee.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

STATEMENT OF HON. HENRY GIUGNI, SERGEANT AT ARMS

ACCOMPANIED BY:

BRIAN NAKAMURA, ADMINISTRATIVE ASSISTANT AND GENERAL COUNSEL

MARY RUTH ALTER, DIRECTOR, COMPUTER CENTER

ROBERT McCORMICK, DIRECTOR, TELECOMMUNICATIONS DEPARTMENT

RUSSELL JACKSON, DIRECTOR, SERVICE DEPARTMENT

WELCOMING SERGEANT AT ARMS

Senator REID. Our next witness is the Sergeant at Arms of the Senate, Henry Giugni. Henry, I welcome you to this subcommittee. The subcommittee has your prepared statement, and it will be inserted in the record. I would appreciate it if you would summarize your statement, and introduce those that you wish to have introduced from your staff.

And let me just say that I made a brief statement that the Secretary of the Senate came to be 2 days after the first Senate was organized. It is my understanding that the first Sergeant at Arms was appointed at or about that same time, in the early part of April 1789. So you follow in the footsteps of a long line of people who have been here since the Senate was organized.

Mr. GIUGNI. Thank you very much, Mr. Chairman and members of the committee.

Senator REID. Excuse me, Henry, one additional thing. I have some other questions that we are going to submit in writing, as will Senator Nickles. So I forgot to tell you that. Henry, please proceed.

Mr. GIUGNI. Mr. Chairman and members of the committee, I am pleased to meet with you today to discuss the fiscal year 1990 budget requests for the Sergeant at Arms. My office includes some of the most complex and technical services in the Senate. I would like to think we have done a good job; because everyone in the Sergeant at Arms office works as a team.

INTRODUCTION OF ASSOCIATES

I have asked a few key members of that team to accompany me; and I would like to introduce them. First, I have Brian Nakamura, my Administrative Assistant and General Counsel; Mary Ruth Alter, the Director of the Computer Center; Mr. Bob McCormick, the Director of Telecommunications; and Mr. Russell Jackson, the Director of the Service Department.

These individuals, as well as many others in the Office of the Sergeant at Arms have labored over the last year to streamline our operation and to make sure that the Senate gets the service it needs in the most efficient manner. The formal testimony I have submitted details our accomplishments and plans for the coming year, department by department.

OVERVIEW

I am proud of our record; and with your permission, I would like to talk about just a few highlights. First, my job and the mission of every employee who works under me is to give 100 Senators the best possible service at all times. It is not always easy to do; but that is our goal and we all try.

Second, I believe that the only real product of the Senate is information—laws, reports, and just plain knowledge about the issues of the day. All this information is useless unless it can be processed and exchanged. Now, I am not a technical person. I still do not know how to operate all the computers; but I have come to understand that the Senate can do its job only if it has the tools and the programs to process information easily and efficiently.

COMPUTER CENTER

Modern technology is vital; but we are way behind the private sector in the use of networks and satellites and data transfer. Since I was elected Sergeant at Arms 2 years ago, we have been playing catch-up for all we are worth. An example: Until last year, there were only a handful of PC's in the Senate. Everyone else has had them for years. Just in the last 6 months, we have installed more than 1,400.

They are available to offices and committees, and the computer center is struggling to keep up with the demand. When I took this office, there had been no major improvements to many of our computer systems for more than 10 years; that includes LEGIS and the CMS system that produces 6 million personalized letters to constituents every year.

We have been trying to catch up 10 years' worth of technology in just 2 years' time. The same is true of our nationwide computer network. We are only now putting together a data network that will link the 380 State offices to Washington.

TELECOMMUNICATIONS

Installation of the new telephone system is almost done. We had major problems at first. But our telecommunications department managed to negotiate 2 million dollars' worth of equipment and labor, and the vendor paid for it. And now, the system works better than manufacturer's standards.

In fact, it works so well that we are working with the Architect to share some of the extra capacity and costs with GPO and GAO. Also, we are spending only one-half as much as other Federal agencies on long distance calls by careful use of commercial and FTS lines.

RECORDING STUDIO

We just finished an upgrade of the recording system and floor broadcast facilities; and are now exploring teleconferencing, closed-circuit broadcasts of committee hearings, and the use of 800-numbers for call-in shows; the kinds of things that have been routine communications tools in the private sector for some time now.

SERVICE DEPARTMENT

When it comes to the printed word, our service department is determined not to be left behind, either. In 1988, we printed more than 300 million pieces. To keep up, we just installed equipment to put newsletters and town meeting notices together faster and more professionally. We will be using more color on faster presses, and presorting it for quicker delivery to your constituents through technology and machines that did not exist even a few years ago; but are standard for the industry these days.

This is all information, in one form or another; electronic, voice, broadcast, print. Although my office has many responsibilities, such as parking, security, furniture, that are important to the ongoing operation of the Senate, I feel that keeping up with the information revolution is key.

BUDGET REQUEST

Today, I am submitting a budget request for fiscal year 1990 of $101.8 million, an increase of 8.1 percent over last year. As a comparison, our increase for fiscal year 1988 was 9.4 percent; but for fiscal year 1989, it was less than 1 percent. This time, all of the increase in operating expenses can be accounted for in the cost of hardware.

These are the big ticket items: A mainframe computer; a new data network; and new communications devices; necessary equipment long overdue for replacement. I am also requesting an increase of 30 staff positions. Again, these are primarily personnel needed to make the new technologies work for us.

PREPARED STATEMENT

Mr. Chairman, members of the committee, I thank you for the support and interest you have shown. I look forward to working with you. My staff and I are prepared to answer any questions you may ask.

[The statement follows:]

Statement of Henry Giugni

GENERALLY

The Sergeant at Arms (SAA) is one of five elected officers of the Senate and is the Senate's chief law enforcement and protocol official. Additionally, the SAA manages and oversees most of the Senate's personal property and information systems infrastructure. Included among the various responsibilities of the SAA are the Senate Computer Center, Telecommunications Department, Service Department, Capitol Exchange, Recording Studio, Photographic Studio, Barber Shop, Beauty Shop, Cabinet Shop, Capitol Guide Service, Capitol Custodial Service, Legislative Garage, Senate Parking, United States Capitol Police, Senate Post Office, News Galleries, Special Services, and Placement Office. The Sergeant at Arms also serves with his counterpart in the House of Representatives and the Architect of the Capitol on the Capitol Police Board and the Capitol Guide Board.

PERSONNEL AND BUDGET

In fiscal year 1989, the SAA was authorized 831 positions and appropriated $94,230,000.

For fiscal year 1990, the SAA will be seeking an appropriation of $101,851,000 for Senate Services. This represents an increase of 8.1 percent over fiscal year 1989. The personnel authorization request will increase by 30 positions.

DEPARTMENTAL SUMMARIES

The following is a brief discussion of responsibilities, budgets, recent accomplishments, and plans of the major departments within the Sergeant at Arms system.

Telecommunications.—The Telecommunications Department (Telecom) provides telecommunications services and equipment for both Washington, D.C. offices and home State offices. In addition, it oversees the U.S. Capitol Exchange, which provides all operator information assistance for incoming calls to the Senate and the House of Representatives. Telecomm provides for the servicing of the Senate telephone system in the Washington, D.C. offices; technical support for the State Offices; training for the telephone, paging, FaxXchange, and voice mail systems; paying or certifying telephone and other communications service bills; facsimile capability to local and long distance locations, such as State Offices; and paging system servicing and devices.

Recent accomplishments

Local telephone service.—By May 1989, installation of the Senate's new telephone system will be completed. While substantial difficulties were experienced during the initial stages of installation, performance is at or above the industry standards, and capacity now exceeds original expectations. This was due largely to the expenditure of approximately $2 million for equipment and labor provided by the vendor at no current cost to the Senate.

Long distance.—Telecom maintains direct contact with common carriers and the Federal Telecommunications System (FTS) to ensure efficient and economical service. Effective utilization of available commercial and FTS systems permits the Senate to save as much as 50 percent on calls compared to other Federal agencies on a per minute basis. By continuing to evaluate carrier services to each geographic area, costs to the Senate and to individual offices and committees will continue to decrease. Efforts are also underway to develop a joint procurement with other Legislative Branch agencies for incoming Senate long distance service. Aggregate savings are expected to result.

State Office services.—During fiscal year 1988, telecommunications systems (telephones, telecopiers, answering machines) were upgraded or relocated in 75 State Offices. Since Telecom assumed responsibility for States Offices in fiscal year 1986, all but 24 of the almost 400 State Offices have been converted to new systems. The remaining State Offices are scheduled to be upgraded during the next 6 months. Also in fiscal year 1988, the Rules Committee authorized each Senator a WATS Diverter in one State Office. To date, 42 State Offices WATS diverters have been requested and installed.

Other telecommunications services.—More efficient facsimile capability through the Senate FaxXchange system, which permits a single document transmission to reach multiple local and long distance locations, has been used by Senators' offices for more than 2 years. Rules Committee action in calendar year 1988 has enabled Telecom to provide this service to Senate Committees. Also pursuant to Rules Committee approval, Telecom has managed the Senate Paging System expansion which has been completed and includes coverage at all three major airports (National, Dulles, BWI). A Senate voice mail system recently has been approved for distribution and implementation is ongoing.

New Initiatives—fiscal year 1989/90

Telephone Switch and Management System Upgrades.—Software and hardware upgrades to the telephone switch and management system are required to operate any remote system off the Dirksen DMS-100. These upgrades will be undertaken prior to the Senate's occupying space in the Old Post Office Building. Available system capacity and joint planning efforts may permit the shared utilization of telecommunications resources with the House of Representatives and other Legislative Branch agencies pursuant to the AOC's Legislative Branch telecommunications plan. Such utilization will provide enhanced capability while potentially reducing both local and long distance costs. Ultimately, joint Legislative Branch activities will result in information and application sharing, as well as cost benefits resulting from an economy of scale. Senate costs to accommodate additional Legislative Branch activity in fiscal year 1990 is currently estimated at approximately $645,000.

Assumption of vendor responsibilities.—Cost savings and efficiencies are possible through the assumption of trouble call, maintenance, and other services currently performed by vendors. Four new positions will be required for fiscal year 1990. Salaries will be offset by contract savings.

Technological development.—Voice/data integration and other technological enhancements available in this technology will continue to be tested and implemented as feasible.

Personnel and Budget

For fiscal year 1989, Telecom was authorized 52 positions (including Capitol operators). Personnel appropriations were $1,660,000 and $15,445,000 was appropriated for operating expenses.

For fiscal year 1990, Telecom will request $14,878,000 in operating expenses—a reduction of 3.7 percent. Personnel requests will be for $1,913,000 and an additional 5 positions.

SERVICE DEPARTMENT

The Senate Service Department is responsible for all the photocomposition, offset printing and photocopying for Senate offices. The photocomposition process involves typesetting, layout graphics and camera services to produce materials, newsletters, town meeting notice cards, press releases and various other documents to be printed. Offset printing is a standard high speed process capable of producing large volumes used typically for Senate mass mailings. Photocopying services are also available to the Senate offices for reproducing up to 50 copies of any document. In addition to these printing and copying services, the Service Department also offers various letter production services including letter cutting, collating, folding, sealing and mailing. As part of a complete offering of printing and letter preparation services, the Service Department also provides micrographics support for the offices. The Equipment Section of the Service Department distributes and maintains the Senate's office equipment inventory.

Recent accomplishments

Mass mail.—More than 235 million pieces of mass mail were produced and processed in calendar year 1988 by the Service Department. Responsibilities include producing documents, affixing labels, sorting to minimize postage costs, and processing returned mail. During the last calendar year, efficiencies were achieved and costs reduced through the systematic upgrading of production equipment. Additionally, improvements to the OCR process for return mail have virtually eliminated the need for Senate offices to manually delete returned mail from their centralized files.

Braille printing.—The purchase of a braille printer and software conversion program has allowed the Service Department to provide letters, reports, and brochures printed in braille for the visually impaired. In addition, more than 1,700 maps of the Capitol and surrounding areas have been made available for use by Senate offices.

Other services.—The utilization of modern computer based equipment has improved the quality and delivery of charts for use on the Senate floor and committee presentations, newsletter layouts, and other production services.

New Initiatives—fiscal year 1989/90

Mail savings.—Savings may be realized through the use of the National Change of Address System and greater utilization of OCR capabilities. Two additional positions are requested to enhance OCR production. Additionally, the cost of outgoing mail can be reduced through presorting First Class mail by zip code. Approximately $200,000 will be required to begin the zip sort program.

Technological enhancements.—Multi-color newsletters, color copying, and improvements in layout quality represent potentially available enhancements to existing services. The implementation of these services can take place as current equipment is upgraded.

Job Shop.—Use of the quick turnaround facility (Job Shop) increased by over 100 percent in calendar year 1988. Accordingly, equipment utilized in this facility must be upgraded and supplemented. An additional $230,000 is included in the fiscal year 1989 request for this purpose.

Personnel and Budget

The Service Department was authorized 167 positions. For fiscal year 1989, $5,136,000 was appropriated for personnel and $4,784,000 was appropriated for operations.

For fiscal year 1990, the Service Department will request $5,573,000 for salaries and an increase of 3 positions. The expense request is anticipated to be $5,323,000—an increase of 11.3 percent.

RECORDING AND PHOTOGRAPHIC STUDIOS

The Senate Recording Studio can produce "live" radio and television programs and schedule the feed to home State TV and radio stations as well as produce audio and video tapes. In addition to these services, the Recording Studio rents out equipment. The Recording Studio is funded from the Senate Recording and Photographic Studios' joint revolving fund. Senators are therefore charged for studio services. The revolving fund supports only capital expenses and expenses directly related to the functions of the Recording Studio. Salaries are funded through the appropriations process. Senate floor proceedings coverage is managed and staffed by Recording Studio personnel.

The Photographic Studio provides photographic services to Senators. Although the Studio can initiate work on an historical event, almost all (90 percent) of their work is in response to requests. It is funded from the Recording Studio's revolving fund. Salaries are funded through the appropriations process.

Recent accomplishments

Recording Studio upgrade.—In April 1987, the Rules Committee approved a proposed Recording Studio Development Plan. The Studio has completed the implementation of the Plan. Demonstrable improvements in product quality has resulted. Although the plan included a reduction in prices, increased Studio utilization has kept revolving fund income at its previous level.

Senate Television facility.—Together with the Architect of the Capitol, work has been completed on the Senate television broadcast facility and two additional cameras have been added to Senate Floor coverage.

Photographic Studio price adjustments.—For the first time since 1980, Photographic Studio prices were increased effective January 1, 1989. Prices were increased, on average, 50 percent. For example, the price for an 8×10 color print rose from $1 to $1.50, while an 8×10 black and white print went from $0.85 to $1.35. This action was taken principally to ensure sufficient income to upgrade the Studio's aging equipment. However, this action was also taken as a measure to catch up with the prices of material goods which have risen steadily during the past 8 years. Recently, a program to upgrade Studio equipment and implement surcharge pricing has been submitted for review and approval.

New Initiatives—fiscal year 1989/90

Senate Floor audio.—The audio portion of televised Senate floor proceedings is currently taken from the existing public address system. Inadequate quality and coverage has been a complaint received from Senators and the broadcast community. An evaluation will be conducted to determine if it is necessary to replace the existing system with a broadcast quality service.

Senate Committee Broadcasts.—In the 100th Congress, Senate Committees and subcommittees held 3,069 scheduled hearings or meetings. On at least one occasion, 25 meetings were held in a single day. Meetings averaged 8 per business day. The AOC's Congressional Cable System has the capacity to provide closed circuit audio or video transmissions of such proceedings in order to provide greater access to the Senate. A proposal has been developed for the staged implementation of such a system.

Information Broadcasts.—The Congressional Cable System can also be utilized to broadcast information regarding Senate Floor and Committee activities. Such information is currently available on the SCC LEGIS system. A pilot is currently underway.

Teleconferencing.—Interactive Teleconferencing provides a potential savings for processes such as meetings, interviewing of witnesses, and media interviews. A joint Telecommunications/Recording Studio project will explore the costs and applicability of this technology to the Senate.

Photo Studio Development Plan.—Photographic Studio prices and equipment have not been substantially changed since the inception of the Studio in 1981. A program to ensure sufficient income and to upgrade equipment has been submitted.

Personnel and Budget

The Studios were authorized 55 positions and appropriated $1,868,000 in salaries. For fiscal year 1990, the Studios will request $2,080,000 for salaries and an increase of one position.

SENATE COMPUTER CENTER

The SCC is responsible for providing automated information services and technology to the Senate within policy and administrative guidelines established by the Sergeant at Arms and the Committee on Rules and Administration. The SCC uses numerous technologies to meet this responsibility, including mainframe computer applications and operations, coordination with the minicomputer vendors to deliver services and systems, and installation and support for the microcomputer systems in the Senate. The SCC also provides a variety of automated services to the Senators' home State Offices. In addition to the computer systems, the SCC also provides computer system training to all Senate employees, maintains hotline phone services to support Senate users, and provides local and nationwide communications facilities.

Recent Accomplishments

Correspondence Management (CSS).—Over 6 million individualized letters are produced annually by the Senate's centralized Correspondence Management System. The system had not been significantly enhanced since 1979. In calendar year 1988, the SCC initiated and completed the first of a three phase rewrite of the system. Essentially, this involved distributing entry, text production, editing and printing functions to microcomputer workstations which are currently being distributed to Senators' offices. These enhancements address the principal functional limitations as expressed by users. Full implementation is currently in process.

On-line indexing.—Letters produced by the Senate's CSS and other mainframe systems are indexed and made available for office analysis on a batch mode basis. The SCC is currently piloting a system to provide on-line access to indexing functions. Full production is anticipated in the calendar year 1989 timeframe contingent upon additional mainframe capacity.

Office Automation Systems.—Each of the Senate's 126 Member and committee offices utilize independent office automation systems. The SCC is responsible for assisting offices in planning, maintaining, and upgrading the systems. In calendar year 1988, the SCC: (1) undertook the upgrading of all minicomputer systems experiencing capacity problems (with the exception of Senators then running for reelection); (2) introduced the Member Office Microcomputer program to make microcomputer technology immediately accessible to member offices; and (3) formulated and began the implementation of the Economic Allocation Program whereby Senators will be able to plan for and implement necessary upgrades or system changes within economic parameters established by the Senate Committee on Rules and Administration. The Economic Allocation Program is currently in its initial stages of implementation.

State Office Automation.—Prior to calendar year 1988, each Senator was limited to two networked State Offices utilizing equipment which could only access centralized Senate services. In calendar year 1988, the SCC: (1) completed the State Office Automation pilot which demonstrated the viability of utilizing microcomputers as the basis for enhanced State Office Automation; (2) formulated and implemented a program (State Office Automation program) for the distribution of computer equipment sufficient to provide each Senator's State Office with computer technology and access to both mainframe and Washington Office Automation systems; (3) began a pilot program to determine the costs and feasibility of networking State Office locations and sites for each Senator; and (4) increased network access in order to provide each State Office with direct access to Washington.

Information Services.—Centralized legislative and other information services had not been significantly enhanced since the late 1970's. In 1987, enhanced information service access was provided to Senate offices via the Commercial Information System program whereby Senators are allocated funds in order to access various commercial systems available. In 1988, the AP Newswire was provided on-line to the Senate. LEGIS service has recently been supplemented by the provision of full text of bills and resolutions. The SCC is currently conducting a requirements analysis which will lead to a complete rewriting and supplementing of existing mainframes services. Additionally, work is continuing with both the Government Printing Office and House of Representatives to provide the Congressional Record on-line during this calendar year.

Administrative Support.—Mainframe based administrative support is provided to the Senate Disbursing Office, U.S. Capitol Police, other SAA departments, and committees. In 1987, the SCC completed a rewrite of the Senate payroll system. Currently underway are pilot projects to provide for the electronic transmission of administrative requests. This system will lead to a centralized electronic mail program for the Senate.

Reorganization.—The organizational structure of the Senate Computer Center has been evolving since early 1988 as efforts are made to ensure continued high levels of direct support for our users, while administering the infrastructure of systems and applications that underlie the office systems. The creation of a division exclusively responsible for the management of office systems was a major part of this restructuring. In addition, as recommended by the consulting group evaluating the Senate's data communication needs, a Data Network Division is being created. The third major restructuring includes the centralization of functions such as Information Resource Management and purchasing within the administrative staff of the office of the Director. Finally, there is a consolidation of the Technical Support responsibilities for the mainframe processors with the Central Facilities staff responsible for operational support of the mainframe computer systems into a Central Services Division.

New Initiatives—fiscal year 1989/90

The remainder of fiscal year 1989 and much of fiscal year 1990 will be required to effectively complete the initiatives already begun. New programs and expenditures are therefore almost exclusively limited to the purchase or lease of equipment and software necessary for implementation. Accordingly, budget increases for fiscal year 1990 are attributable to these improvements.

Network Upgrade.—A study and procurement document will be completed by April 1989 for the replacement and upgrading of the Senate's existing local and wide area networks. Approximately $3 million in additional funding will be required in fiscal year 1990 to implement these improvements.

Equipment upgrades.—Increased demands on centralized services and communications will require a significant upgrade of the Senate's mainframe computer, storage, and communications devices. $2,800,000 will be sought for the mainframe operation. An additional $3 million will be required to lease a new COMTEN and storage devices.

Personnel.—Personnel increases for fiscal year 1990 are attributable to: (1) the need to hire permanent cable installers (10) rather than relying upon temporaries (20); (2) the need for enhanced security analysis capability (1); (3) the need for additional applications and operating systems programming support (4); and (4) the need for enhanced requirements analysis capability (1).

Personnel and Budget

For fiscal year 1989 the SCC was authorized 230 positions and, subsequent to a transfer of $170,000 from expenses to payroll, has appropriations of $38,876,000 available for expenses and $8,706,000 for salaries.

For fiscal year 1990 the Computer Center will be requesting $9,939,000 for personnel and an additional 16 positions. This represents a 14.2 percent increase. The expense request is anticipated to be $42,950,000—an increase of 10.5 percent.

FACILITIES AND FINANCIAL MANAGEMENT

This department is the consolidation of a number of offices and shops which provide various service and facility related functions under the jurisdiction of the Sergeant at Arms. Responsibilities of this office include the overview of personnel and operations within the office of State Office Coordination, Cabinet Shop, Parking Office, Custodial Services, and Hair Care facilities. Additionally, this office is accountable for all financial reporting and budgetary requirements for funds appropriated to the Sergeant at Arms.

Recent Accomplishments

State Office Coordination.—In October, 1988 this office was placed under the administration of Facilities and Financial Management. An organizational plan was established defining office operations, incorporating job descriptions as well as short and long term goals for the office. Under this plan, each of the three State office coordinators has been designated a geographical area allowing for more personalized attention to the needs of Senatorial State offices. Beginning in July, 1989, each coordinator will visit at least four States every 3 months resulting in a total of 48 States visited annually.

Custodial Services.—In February, 1988 janitorial and housekeeping services were consolidated under the office of Custodial Services. An organizational plan was developed defining operations, job descriptions and standardized salary levels. As a result of this reorganization, Custodial Services is able to provide better coordinated and timelier services as well as to effect improved cost control.

Senate Beauty Shop.—Under authority of Public Law 100-458, sec. 10. (a) approved October 1, 1988 "the Sergeant at Arms and Doorkeeper of the Senate is authorized to employ, and fix the compensation of such employees as he determines necessary to operate the Senate Beauty Shop." Under this authority, an organizational plan was developed defining general operations, job descriptions, and standardized pay classifications equivalent to the Senate Barber Shop. Accounting and financial reporting procedures have been established for administration through the "Senate Barber and Beauty Shops Revolving Fund".

Financial Management.—Procedures have been established for formulating and justifying the Sergeant at Arms' annual budget submission effecting uniformity within all offices and departments of the Sergeant at Arms. In addition, financial reporting requirements have been updated to track expenditures at the account level and well as program level providing more detailed reports to support appropriation requests.

New Initiatives—fiscal year 1889/90

Standard Commercial Office Lease.—An approved standard commercial lease for State office space is being finalized. This document will expedite the process required in reviewing commercial leases for conformity with Senate rules and regulations. While some lessors may not be agreeable to a standard Senate lease agreement, if adopted it could become an addendum to the lessors lease contract.

U.S. Senate—GSA Agreement.—The agreement is being finalized and will formalize procedures and guidelines for use in the planning and providing of space, telephone services, office furniture, and other miscellaneous services to Senatorial State Offices. Upon adoption of this agreement, Senate offices will be furnished this document along with an updated manual of "State Office Guide To Services" published by the Sergeant at Arms office.

U.S. Capitol Building Maintenance.—Areas within the Senate wing of the U.S. Capitol Building requiring maintenance improvements have been identified and prioritized. Work is currently underway to correct the poor condition of the floors and corridors. Storage areas have been reorganized and consolidated to alleviate storage of furniture in the corridors and we are working with the Senate Restaurant to remedy the storage of restaurant furniture which is presently stored in and around Capitol banquet rooms.

Parking.—In order to maximize security on the Capitol Plaza, steps are being taken to eliminate all permit parking. Individuals affected by this change will be notified in the near future of alternative parking arrangements. Additionally, allocation policies and procedures will be updated.

Personnel and Budget

For fiscal year 1989, Facilities and Financial Management was authorized 133 positions. Personnel appropriations were $2,726,000 and $1,227,000 was appropriated for operating expenses.

For fiscal year 1990, Facilities and Financial Management will request $1,130,000 in operating expenses—a reduction of 7.9 percent. This decrease is based largely in part to the cyclical nature of activities following an election year. Personnel requests will be for $3,256,000 and an additional 3 positions.

NEWS MEDIA GALLERIES

The four news media galleries (Daily Press Gallery, Periodical Press Gallery, Radio Television Gallery and the Press Photographers Gallery) serve as a liaison between the Senate and newspaper, magazine and broadcast correspondents and photographers, providing facilities to cover the activities of Congress. The Galleries are responsible for credentialing members of the media and coordinating their access to Senate events and activities.

Recent accomplishments

Activities include organizing and facilitating press coverage of such legislative issues as campaign reform and catastrophic health care, the confirmation hearings for Secretary of Defense nominee John Tower, as well as special events such as the Presidential debates, the national party conventions and the Presidential Inauguration.

Personnel and Budget

In the last fiscal year the Galleries were authorized 18 positions at $811,000.

The fiscal year 1990 request is for $870,000, and no changes are requested in staffing levels.

SENATE POST OFFICE

The Post Office operates two stations, located in the Dirksen and Russell Senate Office Buildings, for routine postal services. All incoming mail undergoes fluoroscopic examination and is delivered to Senate offices three times each weekday. Outgoing mail is picked up four times daily. A Riding Page service carries franked letters to various Federal agencies within the District of Columbia, as well as to designated daily newspapers.

Recent accomplishments

9-Digit Zip Code.—Established a program to supply 9-digit zip code information to Senate offices, utilizing equipment provided by the U.S. Postal Service.

Enhanced mail service.—By initiating mail pickup from all offices in the Hart Building; arranging for reconstruction of the mail chutes in the Hart Building, rendering them usable again; separating outgoing franked and postage paid mail to speed processing by the U.S. Postal Service; and altering the labeling for Orange Pouch service to speed handling.

New Initiatives

Express Mail Charges.—As directed by the Committee on Rules and Administration, the Senate Post Office will be establishing a charge system, whereby express mail from Washington may be charged to the official office expense accounts of Senate offices.

Personnel and Budget

The Senate Post Office was authorized 63 positions for a total of $1,256,000 in fiscal year 1989.

For fiscal year 1990, the request is for $1,418,000, which includes an additional position for an Assistant Postmaster.

EXECUTIVE OFFICE

The Executive Office of the Sergeant at Arms establishes policy and coordinates functions and activities of the various SAA departments. The staff also provide coordination for special events, including orientation for newly elected Senators, the reenactment of the Swearing-In and the Presidential Inauguration ceremonies. The Office is also responsible for the Door Attendants, who regulate entry into the Chamber and maintain order in the Galleries during Senate sessions; the Senate Pages; Garage Attendants and Driver/Messengers, who provide general maintenance and chauffeur services for Senate vehicles; and the Human Resources Office, which provides employee services, including health promotion programs, seminars for all Senate staff and tours of the Capitol for the disabled.

Recent Accomplishments

Special Events.—Successfully executed the orientation of newly elected Senators, the reenactment of the Swearing-In and the Presidential Inauguration.

Expanded the Seminar and Education Program at the request of Senate offices to include more speakers on management and administrative topics.

Special Services.—Provided for the availability of printed materials in braille, including braille maps of the Capitol Building and surrounding areas for the blind and visually impaired. Provided sign language classes and training on Telecommunications Devices for the Deaf (TDD's) to allow Senate staff to communicate with the deaf.

Expanded the Health Promotion Program in an effort to reduce the high cost (estimated to be about $500,000 1988) of absences due to illness. When practicable, these programs were also made available to Senate staff.

New Initiatives

Data Technology Review.—Because virtually every department under the jurisdiction of the Sergeant at Arms is experiencing increased use of computer-based technology, a comprehensive review and integration of these needs will be conducted by a Technology Coordinator, who will be charged with ensuring adequate technical assistance and coordinated planning.

Personnel and Budget

In fiscal year 1989 the Executive Office was authorized $2,994,000 for 123 positions.

The request for fiscal year 1990 is for $3,280,000 and includes a new position for a Data Technology Coordinator, as outlined above.

SYSTEM-WIDE INITIATIVES

Following are projects or proposals affecting the entire Sergeant at Arms system.

Post Office Building relocation.—The Old Post Office Building has been identified as a potential site for the relocation of certain Sergeant at Arms activities. Senate Computer Center, Service Department, Cabinet Shop, and Photographic Studio activities have been identified as potential candidates for such a move. Ultimate relocation of significant parts of these facilities would have the following benefits:

One, alleviation of overcrowding. The Senate Computer Center is currently housed in 40,000 square feet of leased space at 400 North Capitol. Available space is inadequate to provide an acceptable working environment or permit expansion. Similar situations exist with regard to the Photographic Studio and Cabinet Shop.

Two, freeing Senate Office Building space. The Service Department, Photographic Studio, and Cabinet Shop occupy space in the Senate Office Buildings. A partial relocation would permit Member offices and Committees to utilize space made available by the move of essentially production type activities.

Three, functional consolidation and growth. Relocation would permit greater efficiencies by providing for functional consolidation and the introduction of new equipment required to serve the Senate in the 1990's.

Four, additional services. Facilities such as those necessary for health promotion cannot currently be accommodated. Additional space would permit such development.

Technology coordination.—Each major department increasingly utilizes computer based advanced technology. In order to ensure that adequate technical assistance, coordination, and planning are available with regard to the procurement and use of such equipment an advanced technology coordinator will be hired within the Executive Office.

Allocation evaluations.—The shift from numeric allocation to economic allocation, which have recently occurred with regard to equipment provided by the Senate computer Center, will be examined and, if appropriate, mirrored in the Telecommunications and Service Departments.

BRAILLE PRINTER

Senator REID. I think a lot of us do not recognize the many functions for which your are responsible. In looking over some materials that were prepared for me by my staff and others, I note that we now have in the Senate a braille printer that is under your responsibility. There has been one purchased; a software conversion program has allowed the service department to provide letters, reports, and brochures printed in braille. That is interesting. I did not know that we had that service available.

FIVE YEAR OBJECTIVES AND GOALS

Would you share your thoughts on—you have been here a couple of years or more as Sergeant at Arms and you worked in the Senate many years prior to that. So you have had enough time to put your thoughts together. What are your thoughts on the future direction of the Sergeant at Arms office; and the goals and objectives you believe this office should accomplish for, say, the next 5 years?

Mr. GIUGNI. First of all, I think the most important thing is that we have got to build a solid framework of operating systems. To do that, in the past 2 years, we have surveyed all the Senate offices, met with user groups, formed with consultant programs; and conducted seminars; and we learned from that process.

We have to have a base to be able to provide any need that you may want. In the Senate environment it is very hard to plan 5 years in advance; but if we have the basics and a solid systems framework, we will be in a position to respond to the Senate's needs. That is why we are requesting an upgraded data network; we want to expand the mainframe computers; we want to install the new telephones and we want to strengthen the recording studio.

But what I would like to do is refer to my directors who are handling this, and explain exactly what each department is doing now for the Senate and what they are planning for the future. And I would like to start off first with Mary Ruth Alter, who is the head of the computer center.

Ms. **Alter**. Senator, as Mr. Giugni has indicated, the computer center has been in what we call a catch-up mode. Senators who have been coming into the Senate in the last few years, as they enter the Senate have not been pleased with the computer services that they found here.

We have major programs, as Mr. Giugni indicated, underway to upgrade all areas of our computing infrastructure. We have hardware upgrades in the planning process. We have a procurement that is almost ready to be released for a network upgrade; and we have applications and other development programs that we are involved in right now to improve the services that we have for you.

Our goal for the next class of Senators coming into the Senate, is to be able to offer services with which they will be pleased. I am hopeful that we will be able to make it in 2 years. Certainly in 4 years, we should have completed this major catch-up that we are undergoing right now.

Mr. **Giugni**. Mr. McCormick.

Mr. **McCormick**. Mr. Chairman, our technical staff tries to keep abreast of all the new technology that can best meet the needs of Senate offices. We contact the offices for their requirements; we evaluate and test the technology and cost; then we make our recommendations for new equipment and services to be authorized by the Rules Committee.

Some of the things we are looking at are further reducing the long distance costs by the use of T–1's to geographic locations; providing faster communications; access to traveling staff for the Senators and their staff people in the States by using nationwide pagers; reviewing the allocations of telecommunications equipment and services on a functional requirements basis.

For example, many Senators are moving their casework to the State offices instead of here. We need to review the FTS lines in the State offices. Do the offices have enough—the FTS lines in the State offices and WATS lines here; telecopiers, pagers, and other equipment.

Senator **Reid**. Thank you.

Mr. **Giugni**. Mr. Jackson?

Mr. **Jackson**. Mr. Chairman, in the service department, we just introduced—approved by the Rules Committee—the OK to do two-color printing, which I think is something that the Senate should have come along with a good while back; but they just gave us the OK to do that.

In the 3- to 5-year projection plan, I am hoping that we can turn the Senate into a full-color print shop. I think we should look into color copiers. I think it is very necessary, very needed, in the Senate. We are looking at some machinery right now that would possibly send all franked mail out of the Senate at a reduced rate, which is not occurring at this time. We are hoping that we can start our own maintenance program where we can work on copiers, floor monitors, VCR items that, today, we are sending out to vendors at enormous costs.

Mr. GIUGNI. Tell him about the braille books.

Mr. JACKSON. We put the braille program in place about 1 year ago, and it is going very well. And we are starting to expand a little to the point where we can print braille letters, braille maps; and it is really helping the visually impaired citizens that come through the Senate, your constituents, to see the Capitol as they have never been able to see it before.

EAST PLAZA PARKING

Senator REID. Very good. I have noticed the House has finally removed the cars from the east front of the Capitol. The first meeting of this subcommittee that I attended, as you may recall, Senator Bumpers chaired it; and that was a concern that we had. An explosion had just occurred in the Senate side of the Capitol.

You have told us that you plan to get the cars off the Senate side, too. And this morning, I saw down on Pennsylvania Avenue, that they are parking cars in the middle, which there is plenty of room to do that; because the street is not traveled much.

Tell me when you hope to have the cars off the Senate side.

Mr. GIUGNI. Mr. Chairman, first of all, we acquired that new space just recently. And I have been working with the leadership; and I have spoken with you and with the Rules Committee. And as soon as I am given the go-ahead to get it done, all cars, Government parking, will be removed from the plaza in 2 weeks.

I am setting up a domino effect on parking assignments so that no one, no one, will be without space. We will take care of it. The demolition of the old police building should take place in the month of May; and we should acquire approximately 45 new parking stalls there.

Senator REID. Do you think we are going to have to wait until then to move the cars?

Mr. GIUGNI. The answer is no.

Senator REID. Because the House has finally moved theirs; and I have gotten calls saying, "Hey, we did this; what is the hold up?"

Mr. GIUGNI. I do not want to play the House against the Senate, sir; but the House was going to do this 2 years ago. We were the first to remove the cars. We removed 100 cars in 1987; and it was just recently when the House did theirs.

Well, I have to wait on removal of the remaining cars until I hear what the leadership wants done. After all, I work for the Senate.

Senator REID. How many cars do we still have parked out here?

Mr. GIUGNI. We have approximately 100 cars.

Senator REID. So there were 200?

Mr. GIUGNI. There were over 230. And after removal is completed, there will be then no permanent parking on the Plaza. I hope to have this done by May 15, once I hear from the majority leader and your committees.

CAPITOL MAINTENANCE AND HOUSEKEEPING

Senator REID. Who is responsible for maintenance and housekeeping in the Capitol?

Mr. GIUGNI. I try to work with the Architect of the Capitol and with the Rules Committee. It is one of the most difficult jobs. I knew this question would come up; and I walked through the basement and I saw the rubbish, and I saw the stored furniture. It is a very difficult thing, because we are still moving offices in the Capitol. And although we have warehouses in Virginia, we have no temporary storage in the Capitol for furniture going right back into the room.

We are trying to get the janitors to do the best that they can. There are a lot of receptions at lunch; there are Senators or people that have breakfasts in dining rooms and their suites; and they leave the dishes out in the hallway for the restaurants to clean.

Although the restaurants are not under our jurisdiction, we have instructed all our janitors to immediately pick up whatever they see and to do the best that they can. It is a difficult task. I want the Capitol to be a national showcase. It should be a national showcase. I am very concerned about it, as you are, Senator. And Mr. Doherty, who is in charge of that department, is doing the best that he can.

Senator REID. Who does Mr. Doherty answer to?

Mr. GIUGNI. He answers to me.

Senator REID. So that the maintenance and housekeeping in the Capitol; is that your responsibility?

Mr. GIUGNI. That is right.

Senator REID. What about in the House?

Mr. GIUGNI. On the Senate side, there is mixed jurisdiction between George White and myself, and the Rules. But I do not want to throw stones. I will get the job done; do the best I can.

Senator REID. The office buildings are whose responsibility?

Mr. GIUGNI. The Architect's.

CABLE INSTALLERS

Senator REID. You are asking for 10 additional cable installers on a permanent basis, and the authorization to add up to 5 temporary installers for heavy demand on an as needed basis.

What is the workload pattern for your cable installers, and what type of backlogs do they encounter?

Mr. GIUGNI. I will just give you a brief comment by saying that the increased funding that I have asked for is for this mainframe computer and all of the related hardware. We need additional bodies to install and make the hardware work; and at a savings, according to my head of the computer center.

Mary Ruth can give you the detailed answer on that.

Ms. ALTER. Senator, in 1980, we had about 1,300 computer devices, that is, work stations and printers in the Senate. At that time, we had 10 cable installers who took care of the cabling requirements for those 1,300 devices. In 1984, when office automation came into the Senate, we installed about 4,000 additional work stations in that program. To do that, we contracted with external vendors to bring in 36 vendor cablers to provide the necessary cabling activity at that time.

They were very expensive. So as soon as we could release them, we did so; and intended to handle the peak requirements for cabling services with temporary cable installers. In 1989 at this time, we have about 7,500 devices, work stations, in the Senate. And we still have the 10 permanent cablers on our staff; and we have supplemented that with 20 additional temporary cablers.

We thought the pattern was going to be a peak pattern, and we could deal with the peaks with temporary installers. However, our peaks have become spikes; and what we originally thought was the peak level has leveled out, and has become our routine or normal pattern. We just finished the office move process that occurs at the beginning of every Congress. Since the moves were a priority and since Senator Ford had set April as the deadline for all moves to have been completed, moves became a priority for us in cabling.

Senator REID. A big improvement over 2 years ago.

Ms. ALTER. It is; right; and we were committed to make that happen. To do that, we had to use the 20 additional temporary cablers, and we had to put in a queue our routine cable requests; and we created a backlog. We estimate right now we have about a 1,500-hour backlog.

We have offices out there who are waiting for cabling jobs to be done. As I say, we have finished the moves; and so we are now able to move forward and work on those routine cabling jobs; but we do have a backlog at this time.

Senator REID. Do you know on average how many cables a person can install in one day, or how does that work?

Ms. ALTER. It is hard for us to give numbers of cables, because we do not count it in that way. People in the computer center talk about miles and miles of cable. It is difficult to quantify by numbers of cables because some cabling jobs are just from one side of the room to the other; other jobs may be going up one side of the building, across the attic, down the other side, down to the basement and back up.

It depends on the complexity of the job. It also depends on what building it is in. The Capitol is not an easy building to install cables in; and some of the other Senate Office Buildings are very complex.

Senator REID. How many support personnel do you have for these personal computers that we talked about; or is this part of the same?

Ms. ALTER. Well, a lot of the cabling that we are currently involved in is for microcomputer installations. We were looking at the number of computer center staff that we believe are either directly or indirectly supporting microcomputers and installations; and we believe it is close to 100 staff.

We have a microcomputer equipment group. We have a microcomputer software support group that is directly responsible for user support. But our hotline staff, our training staff, and our cabling staff, all are working on the microcomputer installations and, therefore, supporting it in an indirect way.

COMPUTER CENTER

Senator **Reid**. Ms. Alter, you are requesting 17 additional computer-related positions and the funding of close to $6 million for the computer center. Now, if we provide the additional resources, will we get a return on our investment in terms of future cost savings, greater access to information?

Ms. **Alter**. Yes, sir; in calculating the cost reductions, for instance, with moving the 20 temporary cablers to 10 permanent cablers, we believe we will have a cost reduction of about $120,000. I think the most important benefits to the Senate, however, for these additional positions, comes in the programs that we believe we will be able to deliver.

We will be able to provide better computer security programs. We will be able to provide additional legislative information data bases. We really would like to provide the Congressional Record on line. One important data base that Senate offices have been asking for for some time is a consolidated constituent data base; so that your staff can have one place that they can search and know everything that you have done for a particular constituent.

And finally, we intend to use the resources to provide improved and additional financial management services.

STATE OFFICE AUTOMATION

Senator **Reid**. You have been conducting pilots for extending office automation capabilities to the Senate's State offices over the past several years. What has been the result of these pilot programs?

Ms. **Alter**. Well, we have installed since August 1988 three minicomputers in the States and 917 microcomputers in 84 Senators' offices. We have added or will add soon 150 additional State sites to our nationwide network to provide connectivity from those State sites to the Washington offices.

We have also been conducting and are in the final stages of a major pilot, providing computer services to 43 State sites for the 10 Senators in five States. The findings of this pilot have been helpful to us in understanding the support requirements for installing equipment in State offices; and also the communication requirements. And we are prepared now to proceed with additional installations in States.

Senator **Reid**. Will this require additional support personnel in State offices?

Ms. **Alter**. From us? What we do, and I think it has happened over the years in the computer center, as new technology and new services come to fruition, we are usually able to shift our resources. At first, our services were totally mainframe; and so we had a staff that supported those services. And as microcomputers have come to the Senate, our staffing has shifted in that regard.

We are able to shift people from one type of service and one program to another. We don't think that we will have to require major additional staff for State support.

Senator Reid. How will the State offices get their hotline help?

Ms. Alter. They will use the same hotline; they are doing that now, and they will continue to do that. We have a hotline both for central services and for microcomputers; and they call the hotline. People on the hotline—we have about 10 people on our hotline who will answer their problem—if they do not know the answer or need to get more technical help, they will refer that to other technical staff within the Senate.

TELEPHONE SYSTEM

Senator Reid. Tell us about the telephone system that goes back to 1987; how is it working?

Mr. Giugni. Well, Senator, when I first took office 2 years ago, the No. 1 problem that I had was the telephone system. I had Senators telling me they were throwing it in the wastebasket. They would call me in the hallways and abuse me. [Laughter.]

I would be called on the phone nearly hourly; but I must say, within the last 6 months and I can say since the 101st Congress, I am very proud that I have not received one complaint from a staff member, from a committee chairman, from a committee staff or any U.S. Senator as to a problem with the phone. And I think that the credit for that goes to our telecommunications director and his staff. And Mr. McCormick is the one, I am very proud to say, that has taken care of the majority of those problems and can answer any questions you have on that.

Mr. McCormick. Mr. Chairman, since the $2 million upgrade of the switch in November 1988, at no cost to the Senate, the switch performance index has averaged 99 out of 100. Prior to that, during the 1987 monitoring period, the switch index averaged 79. So there is a big difference there. The standard for performance on this index is 97; so we are about 2 above the standard right now.

During last year, the switch handled 75 million calls. When you break that down, that is an average of 10 calls per second during an 8-hour business day; so the switch is very busy. We are averaging about 22 trouble calls a day, so we think we are getting down there. We have two more problems, and we hope to have them corrected shortly.

ADDITIONAL COMMITTEE QUESTIONS

Senator Reid. Mr. Giugni, I thank you and your entire staff. We have a number of other questions we will submit to you in writing and would appreciate your prompt response.

Mr. Giugni. Thank you very much, Mr. Chairman.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

ADDITIONAL STAFFING

Question. Last year you requested 39 new positions for the Computer Center and we provided 24 of them. I would like to know how the 24 approved positions have been utilized. You are requesting 16 new positions this year. How will these new positions be used?

Answer. The 24 new positions have been used in supporting Senate offices as they expand their capabilities with automated services both in their DC offices and in their state offices. Additional personnel have been added to our Customer Support/Hotline area, our microcomputer hardware and software support group, our project management and coordination staff, and our training staff. As the Senate continues with the introduction of new and/or improved programs and services, such as the State Office Automation Program (SOAP), the Constituent Services System upgrade, and the economic allocation program, the need for support staff qualified to service and support these office systems enhancements will continue to require the support staff.

The additional 16 persons the Computer Center is requesting for fiscal year 1990 will be used to stabilize our cable installation staffing as well as provide the necessary support for additional new and expanded programs. There will be 10 additional permanent cable installers replacing up to 20 temporary personnel. Furthermore, this may be supplemented, on a limited basis, with up to 5 temporary cable installers. It is believed that the stability associated with permanent employment, and a high level of dedication, should allow a smaller number of permanent staff to perform the duties of the temporaries. The high incidence of device installation, office moves, system upgrades and replacements, and modular furniture installation, along with routine service work have exceeded the ability of the cable staff to satisfy users' requests in a timely fashion. These extraordinary tasks will continue, but not at the peak levels experienced recently. The other six positions will be added to the divisions responsible for the development and implementation of new and improved Senate services. These services include the replacement/upgrade of our LEGIS system, as well as the implementation of a new Constituent Services System combining and enhancing the current CMS system, the mail file system, and the indexing system. In addition, the upgrade of our network, the use of new database management systems, and the introduction of enhanced IBM mainframe capabilities will all require increased levels of systems and application programming support. Finally, the need to enhance the Senate's computer security awareness and capabilities will require additional staffing.

CENTRAL FACILITIES INCREASES

Question. Your budget request includes a $4 1/2 million increase for Central Facilities. What type of equipment upgrades does this represent and will these be recurring funds or one-time capital expenditures? Do you expect to keep acquiring additional facilities?

Answer. Three major new components comprise the increase. The first is a mainframe computer system to replace the two currently installed IBM processors. The request of $2.8 million is for a down payment on an estimated $7-9 million acquisition. Additional funding will be requested in the FY91 and FY92 budgets, depending upon the results of a competitive procurement. This processor will replace the systems acquired under a five year program initiated in 1984. The upgrade will be needed to support additional legislative information databases and the database for the Constituent Services System (CSS). Equally important, this proposed upgrade will allow the Senate to take advantage of new technologies in support of all of our mainframe based services. Improved storage management, operations, security, and resource management are some of the improvements to be gained by the introduction of these enhanced facilities. The new procurement is expected to be a multi-year program, with additional upgrades being acquired depending upon capacity requirements.

The second component is $1.5 million in one-time purchase costs for online disk storage to support the Constituent Services System. This acquisition will be against a previously issued competitive procurement. Disk storage devices will be installed as required to meet users' needs. Additional acquisitions in future years will depend on these requirements.

The third component of the requested increase is for magnetic tape cartridges to provide backup of the masses of data being stored on the disks. This acquisition of approximately $300,000, a one-time expenditure, will be under a recently completed procurement for tape cartridge devices. The purchase of additional devices in future years will depend upon the need for backup of future disk purchases.

Other Central Systems expenditures include ongoing maintenance of installed systems and continued payments on recently acquired facilities, such as the Xerox 9790 printing systems.

DATA NETWORK UPGRADE

Question. We have been hearing about your data network upgrade for quite some time. What is the current schedule, and what can we really expect to see in the way of benefits from this?

Answer. Last June, the Office of the Sergeant at Arms, with the support and approval of the Committee on Rules and Administration, entered into a contract to study the Senate's data communication requirements and determine the direction to be taken for the decade of the 1990's. We have received the study reports and the technical specifications that will be included in a Senate request for proposals (RFP). We expect to issue the RFP this summer.

Proposals will be due this fall, and, depending upon the number of proposals, contract award is expected in the first or second quarter of calendar year 1990. Installation will be phased in to avoid disrupting users. Benefits could be seen in improvements to the National Network within several months, while overall, the total network upgrade could be completed within a year after contract award. With options to upgrade as new technologies appear, this network should serve the data communication needs of the Senate into the next century. The upgrade will replace both the wide area network supporting the Senate state offices and the local network facilities on Capital Hill. Network management and control, along with the ability to expand capabilities in both the local and wide area networks, will be a major part of the network replacement.

The new network architecture will provide a highly reliable facility that offers improved data traffic statistics and will permit faster installation both on Capitol Hill and in the states for new and changed sites. Establishing and implementing standards for the network facility will enhance our ability to work toward "interoperability", the capability to exchange information easily between dissimilar office systems, such as Data General, Prime, and Honeywell.

STATE OFFICE AUTOMATION

Question. State office automation is a program that has been long in coming to the Senate. What can you tell us about the status of providing full networking capability for the state offices?

Answer. The state office automation effort has included several programs focused on providing the best and most timely solutions to state offices. In State Office Pilot I, which was completed in February 1988, eight state offices were equipped with microcomputers and terminals. One of the conclusions reached during that project indicated that the microcomputer workstation had significant merit as a standard workstation for Senate staff. However, requirements of large offices were not experienced during the pilot and should be investigated further. As an outcome of Pilot I, a second pilot was authorized to evaluate minicomputers and microcomputer-based Local Area Networks (LAN's) in all state locations of ten Senators involving five states. During this same time period, the State Office Automation Program (SOAP) was also authorized to begin providing stand-alone automation relief to Senate offices not participating in Pilot II. The recently authorized Economic Allocation program provides funding to the new class of Senators with sufficient funds to upgrade, replace or install new systems in their D.C. office as well as all state sites with full data communications for all locations.

Pilot II involved several configurations and various networking solutions. The findings from this program will be the basis for intra-office networking recommendations to be implemented in the Economic Allocation program. Pilot II included 39 state sites and accommodated 172 state staff. Pilot II installations are complete at this point and the results are being incorporated into a report for the Rules Committee. The SOAP program, which began installations in October of 1988, is well underway and over 1100 workstations have been installed to date, mostly in state sites. Over 255 state sites and 66 D.C. sites have received equipment so far; 31 sites have submitted more than one request. Of the Senators participating in the SOAP/EA program, 91 have submitted equipment requests, and 321 requests have been filled to date. There are 83 requests remaining to be processed. This has resulted in a major increase of work for the state networking section personnel of the Computer Center who were working on state office moves resulting from the recent elections. Unfortunately, the backlog of cabling and communications requests for state offices has been steadily growing since.

To complete the various requests for data communications in the states requires constant interaction with many vendors and office staff. Most of the work performed in the state offices is performed by vendors and GSA. The timeframe for completion is generally out of the Senate's control, however, Computer Center staff have been coordinating all of the activities and trying to keep activities on schedule as much as possible. To date, site work has been completed in 112 state locations, 98 sites are currently in process, and 123 are awaiting the completion of floor plans. Much of the work involves dealing with offices in D.C. and the states and coordinating the various vendors (local phone companies, communications providers, local cable firms, and GSA) to complete the work. As it currently stands we estimate the state communications backlog to be between six and ten months before all outstanding requests are completed.

The Computer Center is in the process of taking additional measures to alleviate some of this backlog. We are confident that these measures will result in a reduction of the backlog and begin to bring full networking support to state offices shortly.

CONTINGENT EXPENSE REQUEST

Question. The contingent expense request for the Computer Center is more than $4 million over the previous year. To what is this attributed?

Answer. The growth of the Senate Computer Center budget can almost exclusively be contributed to the need to upgrade or replace the Senate mainframe ($2.8 million) and storage ($1.8 million) as well as upgrade the data communications capability ($3 million). Other programs, such as ongoing maintenance of installed systems, will have decreased, such that the net Computer Center increase for expenses is $4 million. More detailed information on the mainframe upgrade is in our answer to one of your previous questions.

COMMERCIAL INFORMATION SERVICES

Question. While the LEGIS system enhancements are being implemented, Senators have been allowed to use commercial data base services to meet their information needs. I would like an update on how many Senate offices are using commercial information services while the LEGIS system enhancements are being implemented. How much funding have you included in your 1990 request for these services?

Answer. Senate Member and Leadership offices have two major types of news services available to them. Each office is authorized, with funding provided by the Computer Center's portion of the Sergeant at Arms budget, to subscribe to legislative news services. Committee offices subscribe to these services as well, but their funding is directly from their own Committee budget. Senate offices also have access, through the Computer Center's IBM mainframe computers, to the Associated Press newswire service. One subscription for this is maintained for the entire Senate and made available to all users. In fiscal year 1989, 96 member offices and 8 leadership offices have entered into contracts for commercial database services. Their use of these services to date totals $674,000. The FY89 funding level of $1,332,000 for the subscription services is the same level of funding being requested in FY90. The funding for newswire services increases from the FY89 level of $300,000 to a requested $400,000 in FY90, to accommodate the potential of adding other newswire services, such as GANNETT USA TODAY, REUTERS, and/or PRESSTEX, to name just a few.

OFFICE SYSTEM UPGRADES

Question. On page 9 of your statement, in discussing the activities of the Computer Center relative to Office Automation Systems, you state that the Computer Center upgraded all minicomputer systems with capacity problems, with the exception of systems in the offices of Senators then running for reelection. Why was work not undertaken in those offices?

In that same part of your statement, you indicate that the Computer Center has formulated and begun the implementation of the Economic Allocation Program. Can you describe that program for us and indicate how it may achieve savings in office automation?

Aren't you concerned that the limitations of the program will unduly restrict the efforts of Senators to upgrade the computer services to improve their office operations?

Answer. It is Senate standard procedure, based on guidance and policy direction from the Rules Committee, not to undertake major installations of computer equipment or services in the offices of Senators up for re-election during the six months prior to the election. This is to avoid expenditure of funds for equipment or services that may then be needed for only a brief period of time. Immediately upon their re-election, these Senators are given the option to upgrade or replace their systems. In addition, the new Economic Allocation program was being defined, whereby those 33 offices up for election/reelection would have the choice of upgrading their current system or totally replacing it, depending on the specific needs of each individual office. That program was not authorized by the Rules Committee until November 1988.

Office automation systems originally installed in 1984 have increasingly reached their maximum capacity. On February 23, 1989, the Rules Committee approved new guidelines for allocating computer services to Senators' offices. The new economic allocation guidelines, which replace previous numerical allocations of computer equipment, provide each Senator with a fund for computer services; the amount of the fund is based on state population. Although the actual funds remain in the Sergeant at Arms budget, each Senator's fund will be tracked individually.

Beginning with the class of 1995 (elected or re-elected in 1988), Senators are allocated funds for upgrading or replacing their office automation (OA) systems. The OA allocation is available to newly elected and re-elected Senators until September 30th of the second year of their term. A Senator may request Rules Committee approval to carry unexpended funds over into a third fiscal year for specific expenditures. In addition, Senators in the classes of 1991 and 1993 will have available an annual allocation for enhancing their current systems.

Preliminary funding for the new allocation system was in the Senate Computer Center's budget for FY89, and had also been identified as a requirement for FY90. The funding was originally identified to be used to upgrade or replace aging OA systems, and to provide additional new services and equipment. It is only the procedures for making the equipment and services available to Senate offices that have changed. We feel that the economic allocation system provides offices with much greater flexibility in configuring their office automation system. Furthermore, it should achieve savings by causing the offices to examine more long-term issues in their decision making, since their choice will reflect their commitment for six years.

Of the 33 Senators elected and re-elected in 1989, 22 have thus far upgraded their minicomputer, seven have decided to switch to a Senate standard Local Area Network (LAN), three are undecided, and one has selected a non-supported system. Each of the offices has configured and supplemented their systems as they felt most appropriate. Most offices still have funds available for additional enhancements and should not be restricted in satisfying their needs. Furthermore, preliminary funds were provided to install equipment in the state offices (State Office Automation Program - SOAP) and to acquire the necessary facilities in their offices for constituent support (Constituent Service System - CSS). The program has been well received by Senate offices.

TELECOMMUNICATIONS

Question. The AOC has been working on a Legislative Branch Telecommunications Network for some time. Would the Senate benefit from it?

Answer. The consolidation of Legislative Branch voice and data traffic into a single network could provide cost savings, efficiencies, and applications enhancements. We are, therefore, supportive of the AOC's ongoing efforts. However, caution must be exercised in order to ensure that there is no risk of service degradation with regards to the Senate.

Question. You have requested about $600,000 for two items: Digital T-1 facilities and equipment to support "Integrated Services Digital Network" (ISDN) offerings. Would you briefly describe these two items and, specifically, how they would benefit the Senate?

Answer. T-1 circuits are leased bundles of 24 voice and data channels terminating in a specific location. Utilization of these circuits permits the user to bypass the regular commercial long distance network and consolidate voice and data traffic while reducing costs. The Senate Telecommunications Department and the Computer Center have conducted a joint pilot to test the applicability of this technology to our environment. T-1 circuits utilized to transmit voice and data to the New York/New Jersey area have resulted in a cost savings in excess of $15,000 per month compared to previously utilized network alternatives. Accordingly, the Sergeant at Arms wishes to lease other such circuits for use in voice and data communications where it would be cost effective.

Integrated Services Digital Network (ISDN) equipment is an enhancement to the existing Senate Telecommunications switch which would permit voice and data to be transmitted simultaneously over the same lines. Potential benefits include reduced wiring costs, enhanced efficiencies in moves and changes, consolidation of voice and data cabling and network activities as well as potential applications which take advantage of voice/data integration.

Question. Voice mail seems to be a big hit in the Senate. How many offices are on-line? How much is this costing us?

Answer. The Senate Rules Committee authorized distribution of Senate Voice Messaging Service (SVMS) mailboxes in October 1988. As of March 1989, 33 Senators' offices, 2 Committees, and 15 Leadership/support offices have ordered this service. Distribution is based on an allocation of 5 mailboxes to each Member office and Committee with additional boxes being charged at a rate of $5.25 per month, compared to the commercial rate of $15 per box. The total cost to the Senate for SVMS hardware and software, which was an option under the Senate telephone system procurement, was about $660,000.

Question. How are we able to save 50% more than other federal agencies on long-distance calls? What level of resources, both staffing and funding, are you using to support this project?

Answer. Long distance savings are based on price reductions recently made available from commercial vendors as well as utilization of a fixed price agreement negotiated with the GSA for FTS services. Senate Telecommunications determines which carrier provides the best price and service to particular geographic areas and contracts accordingly. Via an automatic route selection capacity in the Senate switch, the Senate can take fullest advantage of route and cost efficiencies. The flat rate for FTS services enables the Senate to pay for federally provided long distance on a monthly rather than a volume basis.

The Telecommunications Department, as part of its ongoing responsibilities, regularly reviews the rate schedules for long distance vendors to determine if the Senate is receiving the best quality and most favorably priced service.

Question. You are planning to spend $525,000 to procure Digital Concentration Equipment which you mention should result in some cost savings. What will this equipment be used for and when will it be placed into operation? How much should we expect to see in the way of cost savings and when?

Answer. The uses of this equipment are described above in the answer to the second question. Depending on the availability of the software and hardware required, we expect this equipment will be in operation in the first quarter of FY 1990. Significant cost savings obviously can be achieved. Joint Telecommunications Department and Computer Center cost analyses would have to be conducted to determine the amount of savings in the areas of wiring, moves and changes, and the consolidation of voice and data cabling and network activities.

Question. You are planning to spend $100,000 for Digital T-1 facilities which you state are an extremely cost effective way to handle heavy telephone traffic in concentrated geographic areas. Do you have this equipment now? If so, please provide a cost comparison that shows the cost of long distance service prior to and after the installation of a digital T-1 facility.

Answer. Preliminary information from the pilot T-1 tests (New York/New Jersey, Boston, and Philadelphia areas) indicate a 50% savings for voice traffic compared to the cost prior to the installation of the T-1s.

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

Capitol Police

Question: You included in your original FY90 budget submission a $26,000,000 to cover the salaries of U.S. Capitol Police personnel on the Senate rolls. A similar amount was included under joint items in the account the House and Senate Legislative Branch subcommittees created last year for that purpose.

Have the differences concerning this issue been resolved, so that we can proceed with funding all Capitol Police personnel from one account and reduce your FY90 request accordingly?

Answer: It has been determined that the Architect of the Capitol's payroll system would be an appropriate means of performing the ministerial tasks of check production if Senate and House of Representative police payrolls are consolidated. However, we have also learned that the Capitol Police would be required to reproduce almost the entire infrastructure of records keeping, counseling, and payroll regulation that currently exists for the House and Senate. Additionally, the issue of appointments to the Capitol Police payroll remains to be resolved. Payroll consolidation remains a priority of the Capitol Police Board. But it must be done properly and in a cost effective manner. Given the complexities and costs which have been identified, we accordingly request that the payroll accounts for FY90 be structured identically to that of FY89, that is, as a joint item with separate appropriations and disbursement authority provided to the House and Senate.

Recording and Photographic Studios

Question: What does the pilot project for floor and committee information include? What provisions have been made to ensure timeliness and accuracy and the protection of politically sensitive information?

Answer: Components of informational broadcasting pilots either planned or under way include, 1) broadcasting information available on the Senate LEGIS system during quorum calls or other extended delays in the Senate floor broadcast, 2) broadcasting the audio from committee hearings on the Senate cable system, 3) developing a broadcasting "legislative bulletin board" with narrative information regarding floor, committee or other activities of Senate-wide interest. The Sergeant at Arms will work with the Secretary of the Senate, the Senate Rules Committee, the Senate Leadership and other interested parties on matters of content, timeliness and sensitivity.

Capitol Plaza Clearing

Question. You have previously stated to this subcommittee that you were fully prepared to have all Senate parking removed from the East Plaza of the Capitol, should that decision be made by the Senate. The Capitol security plan now pending before the joint leadership of the Congress calls for eliminating all parking on both House and Senate sides of the Plaza. The Architect of the Capitol has told us that he has conducted studies to identify additional parking areas or redesign of existing areas to accommodate more vehicles.

Can you bring us up to date on this issue, tell us how you plan to accommodate the vehicles moved off the Plaza, and when you expect the move to be made?

Looking down the road a little bit, how do you plan to accommodate the vehicles that will be displaced in the construction of the new administrative building for the judiciary?

Answer. I expect that the Senate side of the Capitol Plaza will be cleared of permit parking before June 1, 1989. This will result in the loss of approximately 100 parking spaces. Meanwhile, we have created new marked parking space in the center of Pennsylvania Avenue, between First and Third Streets, NW, which will accommodate approximately 65 vehicles. In Lot 19, at the corner of First & C Streets NE, I have held some space in anticipation of this change, and with the razing of the old police headquarters, expected no later than June, we will be able to accommodate in excess of 50 new permit holders.

The studies conducted by the Architect of the Capitol identified little additional space available for Senate use. With the exception of the space already newly created on Pennsylvania Avenue, the only suggestions forthcoming were to decrease space size (either length or width) or create additional diagonal on street parking. The Capitol Police have indicated some reservations about constriction of traffic flow where diagonal parking is suggested. However, this alternative will be studied further. Downsizing parking spaces could result in some gains and will be undertaken as is possible.

The construction of the new Judiciary annex will have a severe impact upon Senate parking. The areas lost currently hold approximately 500 parking spaces (15% of total outdoor space). Solutions are currently being sought by the Architect of the Capitol. That office is now negotiating with private parking concerns, seeking nearby space that might be leased during the period of construction. Areas under consideration include those north of Union Station off of North Capitol Street. In any event, such a circumstance would certainly result in inconvenience for those staff forced to use any site removed from the Capitol grounds. After construction is completed, the new building will have sufficient indoor parking to return to the Senate an equivalent number of spaces.

HEALTH PROMOTION PROGRAM

Question. In your testimony relative to the activities of the Executive Office, you indicate the Health Promotion Program has been expanded in an effort to reduce the estimated cost of $500,000 a year in absences due to illness. Given that cost, don't you think it would be appropriate to create some space in the office buildings for lockers and showers, at least, so staff could enjoy daily exercise? Locker room space in Dirksen recently vacated by the Capitol Police could easily be used for this purpose.

Answer. Currently, there are showers and lockers available for staff use on the seventh floor of the Dirksen building. Because this facility is rather small, the Rules Committee recently designated additional space for showers and lockers on the ground floor of Dirksen, located in part of the area vacated by the Capitol Police. Within the next three weeks, the Architect will have completed drawings to make that ground floor space suitable as a women's shower/locker room. The existing space on the seventh floor will then become a shower/locker room for men only.

SERVICE DEPARTMENT

Question. What do you anticipate will be the impact of the new mail allocations on the services and budget of the Service Department?

Answer. Based on historical data and the level of requests since the adoption of the new mass mail regulations, we do not anticipate any substantial increase in equipment or manpower costs.

Question. If the Senate goes to more extensive use of multi-color printing, does the Service Department have the equipment, personnel and expertise to handle it?

Answer. Two-color capability was included in the recent necessary upgrade of Senate presses. Currently, the Service Department has acquired a two-color, four tower, web press, and anticipates an additional comparable press to be installed and fully operational by 1990. Color capability was inherent in all replacements examined, thus, providing a two-color alternative merely takes advantage of equipment capabilities which would have existed in any event.

The Service Department currently has four color qualified senior pressmen on staff, and is in the process of developing an in-house color press operator training program. Additionally, the Service Department fully expects to enroll some of its press personnel in formal certified training as technological advancements dictate necessary.

Question. We have noticed that your budget request contains money for three new positions: two in OCR/Bulk Print and one additional typesetter. Why are they necessary?

Answer. Two (2) additional positions are requested in the OCR area of the Bulk Print and Mail Section, (Video Technicians). This request is necessary due to the ongoing video correction program which was implemented in OCR last year. The video portion of the OCR system affords correction of undeliverable, individually addressed mail, by means of an on-screen terminal. The technician will have the capability of correcting the sequence number of mail pieces which have been rejected by the OCR reader. Additionally, the screen will display the reason for which the piece was rejected initially. The video technician will key stroke the correction on a terminal in the OCR area negating the need for a Senate staff member to correct rejects in a Senator's office. In many of these offices, the corrections are never made at all. By performing this function, an additional postage savings is anticipated of approximately $266,000 annually.

The Service Department feels the recent mass mailing regulation changes will increase the current amount of undeliverable, individually addressed mail substantially. Therefore, concurrent with the postage savings using video correction, unapproximated savings are foreseen. The Service Department expects this system to calculate Senate surveys by means of OCR video, in addition to address correction.

The Service Department is also requesting an additional position (Typesetter) for the Pre-Press Section of the

Reprograhics Division. Due to the 120% volume increase in overall production in the section, including typesetting and layout, as well as the increase in visual graphic aids, i.e., braille services, chart designs and graphs used in Senate floor debates and Committee hearing, the Service Department feels this additional position will enhance this area dramatically.

Question. As the volume of official mail for the Senate rises, not only does the cost of our reimbursement to the Postal Service go up, but also the costs you incur in the Service Department and elsewhere in preparing and processing these mailings.

Is it possible to identify the costs your operations incur associated with official mail? If you have done so, I would like you to provide them here or for the record. If not, then I would recommend that you develop a system to do so, so we can more fully understand the total costs of Senate official mail.

Answer. The Service Department maintains a Records Section within the Reprographics Division which calculates and compiles paper costs, and Service Department/Computer Center operating costs in processing official Senate mass mailings. The following breakdown identifies cost per copy, less postage costs:

Name & address retrieval system	$.62 (approx.)
Town meeting notices	$.009
(Camera Ready)	
2 page Dear Friend letters	$.019
4 page Dear Friend letters	$.024
(Composed)	
2 page Dear Friend letters	$.021
4 page Dear Friend letters	$.026

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF ROBERT D. REISCHAUER, DIRECTOR

ACCOMPANIED BY:

- **ROBERT W. HARTMAN, ACTING DEPUTY DIRECTOR**
- **STANLEY L. GREIGG, DIRECTOR, OFFICE OF INTERGOVERNMENTAL RELATIONS**
- **ALFRED B. FITT, GENERAL COUNSEL**
- **JAMES L. BLUM, ASSISTANT DIRECTOR, BUDGET ANALYSIS DIVISION**
- **POLLY E. HODGES, BUDGET AND FINANCE OFFICER**
- **DANIEL F. ZIMMERMAN, CHIEF, SYSTEMS DEVELOPMENT AND RESEARCH UNIT**
- **MARK G. DESAUTELS, ASSISTANT FOR INTERGOVERNMENTAL RELATIONS**

PREPARED STATEMENT

Senator REID. Our final witness this morning is Robert D. Reischauer, Director of the Congressional Budget Office. This is Dr. Reischauer's first appearance before the subcommittee; so we offer him our special welcome. We have the complete text of your formal testimony, Doctor, and it will be placed in the record in its entirety. Please introduce the people with you; give us the highlights of your remarks.

And I will say, as you are coming to the table, that this may have to be broken up. I have some legislation I have to introduce today, and they are going to come down and get me when that is ready.

[Discussion off the record.]

Senator REID. We have a copy of your statement. We will make that part of the record. We would ask that you summarize that so that we can ask you some questions.

[The statement follows:]

STATEMENT OF ROBERT D. REISCHAUER

Mr. Chairman and Members of the Subcommittee, I am pleased to present the fiscal year 1990 budget request for the Congressional Budget Office (CBO). CBO is a nonpartisan analytic organization that furnishes the Congress with information and analyses on issues relating to the U. S. economy, the federal budget, and federal programs. CBO does not make policy recommendations, but presents the Congress with options and alternatives on a wide range of subject areas, all of which have economic and budgetary impacts.

This is my first appearance before the subcommittee as the Director of the Congressional Budget Office. As with my predecessors, I am seeking to keep our budget request to the minimum necessary to perform the tasks requested of us by the Congress. We are all aware of the restrained fiscal times in which we find ourselves. In recent years, CBO has been able to achieve significant economies in its operation by keeping careful track of costs and by gains in productivity from automation. This year, as in the past, our budget request maintains the same level of fiscal responsibility.

BUDGET REQUEST

For fiscal year 1990, we are requesting $19,950,000, an increase of 8.7 percent, or $1,589,000, over our estimated fiscal year 1989 operating level of $18,361,000. The increase is not attributable to any new discretionary activities. It does give the agency the resources necessary to staff to its authorized level of 226 positions. I want to emphasize, Mr. Chairman, that CBO is not requesting any additional staff positions.

Of CBO's requested increase, $1,045,000, or 66 percent, is for personnel-related expenses. Currently, we are funded to handle 221 positions and, as Congressional demand for CBO work continues to escalate, we would like to return once again to our authorized ceiling of 226 positions.

Our request also includes an additional $473,000 for ADP and systems development work in fiscal year 1990. Our 1989 budget in these combined areas was 6 percent below the 1988 level. The 1990 requested level represents an average annual increase of 3.5 percent since 1988. The remaining $71,000 increase reflects primarily price increases in a variety of areas including printing, miscellaneous services, and supplies.

As in the past, Mr. Chairman, we have taken a prudent funding approach in our fiscal year 1990 budget request. As a support agency, we are indeed aware of the difficult fiscal task facing the Congress, and we intend this request to be supportive as the Congress faces that task. Before discussing our request in detail, I will review for the Committee the principal services that CBO provided the Congress during this past fiscal year.

CURRENT CBO SERVICES TO THE CONGRESS

Fiscal year 1988 was an exceedingly productive year for CBO. We were involved in the events that drove the national agenda, beginning with the Budget Summit in the fall of 1987. During those crucial negotiations between the Congress and the Executive Branch, CBO provided the Congress with estimates of the budgetary effects of the various spending and revenue changes that were being contemplated. We were pleased that such assistance aided the two branches in their long deliberations that resulted in their historic two-year agreement.

Nor did the demand for CBO services end there. Beginning in fiscal year 1988 and continuing into fiscal year 1989, CBO provided its expertise to the National Economic Commission. The bipartisan commission attempted to find a solution to the political deadlock that has led to large federal deficits in recent years. CBO testified before the commission on such topics as how much defense spending is needed to maintain current levels of readiness, the effects of the deficits on the economy, and the projected levels of the deficit. CBO baseline projections, its economic forecast, and its deficit reduction options provided much of the basis for the commission's deliberations on ways to reduce the deficit.

These tasks have been accomplished in addition to CBO's regular annual workload, which continues to increase. We are doing more cost and revenue estimates, tracking more economic variables, and analyzing more policy options and alternatives than at any time in CBO's 14-year history.

A number of executive level vacancies at CBO have been filled since our last visit before this committee. Frederick Ribe was appointed Assistant Director for Fiscal Analysis, the division that provides CBO's economic assumptions. Dr. Ribe, an economist, was formerly with the International Monetary Fund and the Federal Reserve Bank of New York, and he will bring a new emphasis to the international aspect of our forecasts as I will outline later in my testimony. Also, W. David Montgomery was named to the position of Assistant Director, Natural Resources and Commerce Division. Dr. Montgomery, an economist, comes to CBO from the Defense Department and the Department of Energy. He has a strong background in energy policy and resource management, areas of increasing significance to the budget and the economy. I am including copies of their resumes with my testimony.

Let me add here, Mr. Chairman, that the Congressional Budget Office continues to live by its self-imposed rule of not initiating reports. CBO studies are done at the written request of chairmen of full committees, subcommittees, and budget task forces, the ranking minority member of full committees, and the leadership on both sides of the aisle. In keeping with the intent of the Congressional Budget Act of 1974, we do not undertake studies that do not have clear budgetary or economic implications.

The Balanced Budget Reaffirmation Act

The Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (the Reaffirmation Act) continued many of the tasks assigned to CBO by the Balanced Budget and Emergency Deficit Control Act of 1985 (the Balanced Budget Act). Although CBO's role in the current sequestration process is advisory, the agency must still prepare very detailed reports estimating whether or not the proposed budget conforms to the Reaffirmation Act's deficit targets.

In fiscal year 1990, CBO will compile two sequestration reports. Preparing these sequestration reports remains a major undertaking. CBO analysts review over 1,000 budget accounts and apply cuts, as specified in the law, where required. In addition, the report must be prepared for publication in the *Federal Register*, all within a five-day deadline. Despite the imposing time constraints involved with this process, CBO staff have regularly performed their duties with distinction.

In addition to the sequestration reports, the Balanced Budget Act gives the Director of CBO responsibility for alerting the Congress to a recession or downturn in the economy that might warrant the suspension of the deficit targets. CBO did not see the need to make such a report in 1988, and our current economic forecast does not envision a recession. But this responsibility means that CBO must examine the health of the economy constantly.

The Balanced Budget Act also requires CBO to provide the Congress with a report on unauthorized appropriations and expiring authorizations. We file that official report with the Congress by January 15. A copy of the latest report is included in Appendix B.

Finally, the Reaffirmation Act directed CBO, in consultation with the General Accounting Office, to study and report to the Congress on federal credit programs. This report will address and make recommendations on the following areas: (1) more accurate measurements of the costs of federal credit programs; (2) the comparative cost of federal credit programs and other forms of assistance; (3) improvements in the allocation of resources between credit programs and other programs; and (4) alternative ways to include information on the cost of federal credit programs in the budget process. We expect this report to be issued later this spring.

The Budget Act of 1974

The Congressional Budget Act of 1974 mandates that CBO prepare certain reports on a regular basis and that it undertake other studies in response to Congressional requests. Specifically, CBO carries out the following tasks: maintains current tabulations of Congressional revenue and spending actions (scorekeeping); prepares five-year cost estimates for bills reported by authorizing committees; prepares outlay estimates for bills providing new budget authority; supplies tax expenditure and revenue information; annually reports projections of new budget authority, outlays, and revenues for the coming five fiscal years; estimates the cost to state and local governments of carrying out or complying with federal legislation; prepares periodic forecasts of economic trends and alternative fiscal policies; and analyzes issues that affect the federal budget.

Scorekeeping

CBO provides the Congress with up-to-date tabulations of Congressional actions on revenue and spending bills. These tabulations are used, particularly by the Budget and Appropriations Committees, to measure the status of Congressional budget actions relative to the targets or limits specified in the concurrent resolution on the budget.

The bulk of CBO scorekeeping activities involves spending actions. The spending side of the federal budget is complex, consisting of more than 1,000 separate accounts. Furthermore, the Congress acts each year on a large number of individual legislative bills that affect spending, including 13 appropriation bills. CBO's scorekeeping system keeps track of Congressional action on all these bills from the time they are reported from committee to the time when they are enacted into law. As a result, the CBO scorekeeping data base for budget authority and outlays is very complex, and keeping it current represents a major effort.

CBO scorekeeping estimates are derived from its analysis of the President's budget, baseline budget projections, and bill cost estimates, as well as from the economic assumptions used for the concurrent budget resolution. CBO reviews its scorekeeping estimates on a comprehensive basis at least twice a year to incorporate new information provided by the Office of Management and Budget (OMB) and other federal agencies, revised economic assumptions that may be adopted by the Budget Committees, and other relevant data.

Specially designed computer scorekeeping reports are provided weekly, and sometimes daily, to the Budget and Appropriations Committees. Frequent letters are also sent to the Chairmen of the two Budget Committees to advise them on current budgetary levels. Advisory letters have also been sent on request to the Chairmen of the Senate and House Appropriations Committee on the budgetary impact of individual appropriation actions, such as a supplemental appropriation bill or a continuing resolution. The CBO automated scorekeeping data base is also used to provide special computer reports to the Appropriations Committees to use in preparing their February 25 reports, and in dividing budget resolution allocations among subcommittees.

CBO also prepares a weekly report on the legislative status of selected entitlement and other bills that would directly affect budgetary requirements. Similar reports provide information on the legislative status of bills affecting credit activities, bills providing required authorizations for requested appropriations, and proposed revisions of the Congressional Budget Act. Copies of these reports are provided to the staffs of the Appropriations and Budget Committees of both Houses.

In response to a request from the Senate Appropriations Committee, CBO is preparing a manual on scorekeeping rules and procedures. Robert Keith, a noted budget process analyst with the Congressional Research Service, has assisted us in this effort. The manual will explain in detail the scorekeeping procedures that are used under the Congressional Budget Act and the Balanced Budget Act. In preparing this manual, we will hold discussions with the staffs of the Committees on Appropriations on the procedures affecting appropriation bills. We expect to publish the manual later this year.

Baseline Budget Projections

Each year, CBO prepares a new set of baseline budget projections. The projections take as their starting point the budgetary decisions made by the Congress through its most recently completed session and show what would happen to the budget if no new policy decisions were made during the next five fiscal years. These projections do not represent a forecast of future budgets, because the Congress does make numerous new policy decisions in response to changing national needs and economic circumstances. They do provide, however, a useful baseline or benchmark against which proposed changes in taxes or spending policies may be measured and assessed. A longer-term framework is helpful in making annual budget choices, since these decisions sometimes have little impact on the budget in the short run. They do, however, significantly influence relative budget priorities over a period of several years. Because the annual budget resolution now includes a credit budget component, CBO also prepares baseline budget projections for federal credit activities.

CBO's capability to do budget projections has enabled the Congress to move more and more in the direction of multiyear budgeting. In the past, both Budget Committees have used CBO's baseline budget projections as a starting point for formulating their recommendations for the annual budget resolution. The CBO baseline spending projections are distributed to the Appropriations

Committees and the authorizing committees as background information for preparing their "views and estimates" reports to the Budget Committees, now required by February 25. The Budget Committees then use the CBO baseline projections in their budget resolution markup materials to assess how spending and revenues should be altered in the future to meet fiscal policy goals and national needs. Both Budget Committees include three-year targets in their recommended budget resolutions.

The CBO budget projections took on an added role in the 1980s. They now serve as the baseline for computing the spending reductions to be achieved in the budget reconciliation process. Moreover, CBO has made similar use of baseline budget projections in its bill cost estimates for calculating the costs or savings that would result from legislative proposals to change existing law. This process is particularly important for calculating the budgetary effects of changes in various entitlement programs.

The growing use of budget projections requires CBO to maintain a large multiyear data base on a year-round basis. CBO now provides both Budget Committees with numerous sets of five-year projections of revenues and spending throughout the year, usually in the form of computer tabulations. In addition, CBO publishes annually a five-year budget projections report at the beginning of each session of the Congress and updates it each August.

The current baseline deficit projection, formally released in a hearing before the House Budget Committee on January 24, 1989, projects a deficit of $159 billion in fiscal year 1989 and $146 billion in 1990, declining to $122 billion by 1994.

The concept of a budget baseline was incorporated in the Balanced Budget Act for determining the need for and magnitude of across-the-board spending reductions to meet specific deficit targets. When the act was amended to correct a constitutional defect, in 1987, the baseline concept was also modified to approximate more closely the methodology used by CBO in our baseline projections. The major change was to include an inflation and pay adjustment factor in projecting discretionary appropriations.

Again this year, as last, the CBO baseline is virtually identical to the budget base as specified in the Reaffirmation Act. For 1990, therefore, the CBO baseline deficit estimate is identical to CBO's estimate used for computing the excess deficit as part of the sequestration process. Having a single baseline is intended to help focus attention on the fundamentals of the budget situation and reduce any confusion stemming from minor conceptual differences in our budget projections.

In addition, this past year, the National Economic Commission made extensive use of CBO baselines. These allowed the commission members to measure more accurately the effects on the budget and the deficit of their various proposals for program and policy changes.

Analysis of the President's Budget

The Congressional Budget Office carefully reviews the budget estimates that the Administration submits to the Congress. Where necessary and appropriate, CBO reestimates the Administration's budgetary proposals using its own economic assumptions and technical estimating methods.

The economic assumptions used by the Budget Committees to formulate the annual budget resolutions usually are different from the assumptions the Administration used to prepare the President's budget. A different set of economic assumptions may significantly alter the budgetary impact of the President's proposals. Both Budget Committees periodically ask CBO to reestimate the President's budget using different economic assumptions.

CBO has an independent capability for estimating the impact of various budget proposals on budget outlays. To keep these techniques and methods as accurate as possible, CBO staff carefully monitor both actual spending trends, as reported monthly by the Treasury, and various program data series that provide information on recent trends in the use of federal benefits and services, the growth in beneficiary populations, and other factors affecting federal spending. CBO uses these independent methods to reestimate the effect of the President's budgetary proposals. In recent years, these so-called "technical reestimates" have been significant.

In addition to reviewing carefully the Administration's budget estimates each year, CBO prepares an analysis of the President's budgetary proposals. This publication is requested annually by the Senate Committee on Appropriations to assist Members and staff in preparing for overview hearings on the Administration's annual budget. The report discusses the economic outlook for the next several years and the possible economic impact of the President's proposals. It also presents CBO's reestimates of the budgetary impact of these proposals based on alternative economic assumptions and on CBO's estimating techniques and methods. This year, CBO analyzed both President Reagan's last budget submission and President Bush's subsequent revisions.

Bill Cost Estimates

CBO prepares cost estimates for virtually every public bill reported by legislative committees in the House or Senate that would have a budgetary impact. CBO also prepares numerous cost estimates at committee request for use in earlier stages of the legislative process. CBO's bill cost estimates have become an integral part of the legislative process. Committees refer to them increasingly at every stage of bill drafting, and they have an impact on the final outcome of legislation.

The number of such bill cost estimates prepared each year varies, depending on the amount of legislation being considered and reported by legislative committees. For 1988, the number of individual cost estimates was 771, as shown in Table 1.

TABLE 1. BILL COST ESTIMATES (Formal and informal)

	1982	1983	1984	1985	1986	1987	1988
Federal Estimates	747	676	687	601	667	743	771
State and Local Estimates	4	573	641	533	588	531	675

A large part of CBO's bill costing in previous years was for the House and Senate Committees receiving reconciliation instructions in the budget resolution. CBO's tracking system for bill cost estimates has treated work on the reconciliation proposals as if they were a few large bills. This system understates the true workload shown in the figures in Table 1 for 1982 through 1988. These efforts are equivalent to several hundred bill cost estimates.

In addition to cost estimates for bills reported by legislative committees, CBO also provides the Appropriations Committees with outlay estimates for all appropriation bills. These outlay estimates are prepared for each appropriation account and are transmitted to the staffs of the committees largely in the form of computer tabulations. For example, many reports display both budget authority and outlay data in the Comparative Statement of Budget Authority (CSBA) formats used by the Appropriations Committees. Judging by the number of inquiries that CBO receives, it is fair to say that our cost estimating function is, by far, the most extensive of any legislative body in the world. CBO is proud to furnish technical assistance to other bodies interested in following the U.S. Congress as a model.

State and Local Government Cost Estimates

The State and Local Government Cost Estimate Act, enacted in late 1981, temporarily expanded CBO's responsibilities by requiring estimates of the cost that would be incurred by state and local governments as a result of proposed federal legislation. This requirement was made permanent by the Reaffirmation Act.

CBO reviews as many bills as possible to identify their potential impacts on state and local government costs. We focus on bills that, in the judgment of CBO, are likely to result in an aggregate annual cost to state and local governments of at least $200 million, or to have exceptional fiscal consequences for a geographic region or particular level of government. During 1988, CBO prepared state and local cost estimates for 675 bills. Of these bills, CBO estimated that 15 bills had an aggregate annual cost exceeding the $200 million threshold, 70 were below the threshold but had some potential effect on the budgets of state or local governments, while 590 had no impact.

Economic Forecasts and Fiscal Analysis

Each fiscal year, CBO provides the Congress with two economic forecasts. The first is issued early in the legislative session to coincide with Congressional consideration of the concurrent resolution on the budget. The second, issued in mid-August, provides the economic basis for CBO's advisory sequestration reports in August and October.

CBO does not maintain its own macroeconomic model of the economy. Instead, it uses several of the major commercial econometric models: Data Resources, Inc., Wharton Associates, Washington University Macroeconomic Model, and Ray Fair Economic Model. In addition, CBO has developed, in conjunction with the International Monetary Fund, an international econometric model to help track this increasingly important aspect of the nation's economy. We also rely on the advice of a distinguished panel of advisers who represent a wide spectrum of economic views. The panel meets semiannually, before a new forecast is issued; the panel is supplemented from time to time with guests possessing expertise in particular areas of interest. Appendix A to this statement lists the current members of the panel.

The forecasts issued in February and August of 1988 focused on recent economic developments, discussed fiscal and monetary policy, forecast short-term economic trends, projected long-term trends, and detailed the federal budget outlook under these economic assumptions. As has been previously mentioned, CBO must continuously use various models of the economy to comply with the requirements of the Balanced Budget Act. With the growing internationalization of the U.S. economy, the task has become more complex, since it is increasingly important to monitor developments abroad as well as in the United States.

More and more, the Congress is concerned with the way in which fiscal policy, as well as specific federal programs, affects the overall economy. CBO is currently striving to enhance its analytic capabilities in such areas of Congressional interest as the financial condition of thrift institutions, international debt, and U.S. living standards.

Current studies include a look at the link between federal deficits and interest rates and one examining the various fiscal policy tools available to the federal government to help reduce the national trade deficit.

Tax Analysis

With each new economic and budget baseline forecast, CBO provides the Budget Committees with a set of standardized tables providing considerable background detail on CBO's baseline revenues and estimates of recent tax legislation. The Budget Committee staff members have found these tables very useful.

CBO also provides several sets of five-year baseline revenue estimates based on alternative economic forecasts developed by the staffs of both Budget Committees. Most of these estimates are done to aid the staffs in preparing the budget resolution.

Revenue scorekeeping reports, with bill-by-bill detail, are sent biweekly, or as needed, to the staffs of the Ways and Means, Finance, and Budget Committees. The reports provide five-year estimates of the revenue effects of each tax bill on the legislative process, and compare the cumulative revenue effects of enacted legislation with the targets set in the budget resolution. The revenue estimates shown in the reports are drawn from CBO cost estimate letters and are furnished to the tax-writing committees when each tax bill is reported.

The CBO staff also continued to provide estimates of the revenue effects of many alternative deficit reduction plans. In addition, last year CBO completed three major reports on recent changes in tax law. These reports included a study of the evidence on the effect of capital gains tax rates on revenues, a report on the effects of the Tax Reform Act of 1986 on the size of tax expenditures, and a study (a follow-up to a 1987 CBO study) measuring recent changes in the federal tax burden on different groups of taxpayers.

Program Analysis

CBO's program divisions--Human Resources and Community Development, Natural Resources and Commerce, National Security, and the small General Government unit in Intergovernmental Relations--respond to requests from Congressional committees to analyze issues and options that help the Congress anticipate the consequences of legislative proposals. Four types of products illustrate the range of efforts carried out by the program divisions:

- Formal and informal cost estimates and other budget analytic work analogous to, or in support of, the efforts of the Budget Analysis Division. Often this work involves developing complex simulation models to estimate the impacts of technical and other changes in legislation;

- Short-term policy analyses, usually to estimate the likely effects--other than costs--of proposed legislation;

- Longer-term analyses of broad issue areas, considering a full range of policy options. These projects typically result in published papers; and

- Testimony at Congressional hearings, which often follows from other work we have done.

The principal responsibility of the program divisions is to assist Congressional committees in examining the effects of legislative policy options on the budget. Over the years, CBO has responded to requests for analyses of key program issues from almost every committee of both Houses of the Congress.

In fiscal year 1988, CBO completed 28 such reports for 12 Congressional committees--5 in the House, 6 in the Senate, and 1 Joint Committee. Appendix C of this statement shows the distribution of reports completed for Congressional committees in fiscal year 1988.

The subjects of these reports have typically reflected the major budgetary issues before the Congress and the nation. Our program divisions support Congressional debate by organizing and presenting policy goals, often scattered among disparate programs in different budget functions and tax provisions, into a single analysis. In this way, the Congress can see more clearly whether its policies are having the intended effect.

Some recent studies of this type are: *New Directions for the Nation's Public Works; Federal Civilian Employment; Trends in Family Income, 1970-1986; U.S. Ground Forces and the Conventional Balance in Europe; Changes in the Living Arrangements of the Elderly: 1960-2030;* and *Using Federal R&D to Promote Commercial Innovation.*

Much legislation with purposes not closely related to the federal budget nevertheless has important budgetary and economic consequences. Many committees have shown a strong interest in the analysis of the effects of such legislation. These analyses often expand and complement information provided in a CBO cost estimate.

In 1988, CBO provided Congress with a number of such reports, including: "Assessing the Costs of Environmental Legislation;" *Assisting the Farm Credit System: An Analysis of Two Bills;* "Biennial Budgeting;" "Control of Air Toxics: A Preliminary Economic Analysis;" and "Reducing the Size of the Military Officer Corps: Effects on Promotions and Accessions."

In terms of direct support of the budget process by the program divisions, CBO studies often address the budgetary implications of changes in program emphasis or direction or changes in the carrying out of new initiatives. Committee interest in such analyses may be prompted by budget constraints or by the perception that existing programs may be inefficient or have outlived their original intent.

Recent CBO studies along these lines include: *Including Capital Expenses in the Prospective Payment System; Operation and Support*

Costs for the Department of Defense; "Alternatives for U.S. Postal Service Funding of Certain Employee Benefits;" *The NASA Program in the 1990s and Beyond;* and *Modernizing U.S. Strategic Offensive Forces: Costs, Effects, and Alternatives.*

Based on current committee requests, CBO expects to complete at least as many reports this fiscal year as in the recent past. We further assume that our level of activity in fiscal year 1990 will be similar to that in fiscal year 1989. CBO's program divisions have remained remarkably stable in terms of staffing and funding since the inception of CBO. Through the years, they have accounted for approximately one-third of CBO's staff positions and a little more than one-quarter of the funding.

Published reports are only the most obvious example of the analytic support that the program divisions provide to the Congress. Regularly, short-term analysis in the form of staff memorandums and letters is provided to committee staffs by the program divisions. In addition, CBO is frequently called on by committees to testify. During the last fiscal year, CBO was called upon to testify on 30 separate occasions. This testimony is often in connection with an ongoing or completed report, though we sometimes prepare new analyses for such appearances.

Finally, our program divisions have developed a number of sophisticated analytic computer models of federal programs. The output from these models is provided to our Budget Analysis Division for use in its cost estimates, and program analysts frequently help revise or improve existing Budget Analysis Division models. This capability allows our program units to respond to requests that require sophisticated analytic treatment, such as simulating the effects of options on beneficiaries of federal programs. Similarly, the program divisions have developed models, both for the budget committees and authorizing committees, that estimate the costs and revenues of specific programs. The models are used by the committees to respond to proposals made during the markup of legislation.

The requests and demands made of our program units have not lessened under the Balanced Budget Act. The Congress, to carry out its policy objectives during these times of severe fiscal constraint, is considering numerous new and innovative approaches in an increasing number of program areas. CBO is being called on to evaluate and analyze many of these proposals and to put them in a budgetary context. In addition, the Congress will need to continue to assess the programmatic and policy implications of budget reductions. The CBO program divisions have the resources in place to provide information as the Congress makes these important reassessments.

ORGANIZATION OF CBO

For management and administrative purposes, CBO is divided into seven divisions. While the functions of the divisions are unique, the work of each is highly dependent on that of the others, and I would like to take time today to share with you how this "crosswalk" works.

Three of our divisions--the Budget Analysis, Fiscal Analysis and Tax Analysis Divisions--primarily support the needs of the House and

Senate Budget and Appropriations Committees for accessible, comprehensive, and technical budget and economic information. The other four divisions--Natural Resources and Commerce, National Security, Human Resources and Community Development, and the General Government unit of the Office of Intergovernmental Relations--provide key support, often early in the legislative process, to the budget and authorizing committees in analyzing various programmatic and policy options and their associated costs. To perform these tasks, each unit must collaborate with the others.

For example, the economic assumptions developed by the Fiscal Analysis Division serve as the basis for our cost estimating, projections, and analysis of issues. The budget numbers developed by the Budget Analysis Division often depend on methodological studies done in the program divisions. Finally, all numbers developed in connection with analytic studies are reviewed by the cost analysts in the Budget Analysis Division. This crosswalk among our divisions is absolutely essential to our ability to provide accurate cost estimates and comprehensive analyses of alternative legislative strategies.

The interdependence of our organization is best exemplified by the report, *Reducing the Deficit: Spending and Revenue Options.* Over the years, many Members of the Congress have told us they find this to be one of the most useful documents we produce. This report describes several broad strategies for reducing the federal deficit and analyzes numerous specific spending and taxing options for carrying out those strategies. Each option lists the outlay savings or revenue increases that would result from its enactment. The Fiscal Analysis Division prepares the economic assumptions used in the report. The Budget

Analysis Division prepares the baseline projections using these economic assumptions. The program divisions develop strategies and options. The cost analysts in the Budget Analysis Division provide the savings estimates associated with each option. The Tax Analysis Division provides the analysis of revenue increases.

THE FISCAL YEAR 1990 REQUEST

As I indicated previously, Mr. Chairman, most of the increase being requested over the 1989 operating level comprises personnel expenses needed to fund CBO at the authorized staff level. Of the $1,589,000 increase being requested, $1,045,000, or 66 percent, is for increased personnel costs. Of the remainder, $473,000 is for ADP and computer system development, areas that were reduced significantly in fiscal year 1989. Price increases in other administrative areas, such as printing and supplies, account for the other $71,000 requested.

Personnel Costs

Rising personnel costs are the driving force behind most of CBO's requested increase. The personnel component of our 1990 request has grown to 73 percent of the total, up from 59 percent of the total as recently as fiscal year 1985. Escalating benefit costs and absorption of pay increases explain most of this increase. Benefits rise to 24 percent of payroll in 1990, double the pre-FERS rate of 12 percent. In fiscal year 1989, we estimate that CBO will absorb pay increases totaling more than $390,000, including the 4.1 percent cost-of-living adjustment. Funding these mandatory increases in personnel costs has placed increasing pressure on other portions of CBO's budget.

To fund to the full staff level of 226, and to fund fully the semester intern program, CBO will need an additional $438,000, 42 percent of the requested personnel-cost increase of $1,045,000. Merit pay increases average 2.4 percent in the 1990 request. The semester intern program has been a most productive undertaking for CBO, and we propose to return this activity to its historical level of 10 interns.

ADP and Systems Development Costs

As I have stated, the combined areas of ADP and systems development were reduced 6 percent in fiscal year 1989 from 1988 levels. The approximately $473,000 increase we are requesting in these areas is just 7.1 percent above the 1988 level, an annual increase of 3.5 percent, less than the rate of inflation. Most of the $250,000 increase being requested in ADP is for systems maintenance. Even with this increase, projected ADP costs in 1990 are still below the nominal 1982 level. The systems development and enhancement component of our budget, which includes data updates and model development, was cut 64 percent in 1989, allowing for only the most critical updates. The $223,000 increase requested for 1990 will return this area to its historical level.

CBO is very proud of the way it has been able to reduce ADP costs over the years while increasing productivity. Aided by HIS price reductions, and our creative use of microcomputers, CBO has been able to reduce significantly the relatively expensive timesharing component of total ADP costs. In fiscal year 1990, timesharing is $2,931,000, while microcomputers are budgeted at $551,000.

Other Costs

After falling by 11 percent in 1989, other administrative expenses increase by 4.7 percent in fiscal year 1990. This reflects increases from inflation. The $71,000 increase in this area comprises such things as higher printing costs, as well as higher expenses for maintaining and repairing equipment, and higher costs associated with the administrative support provided us by the Library of Congress.

CONCLUSION

Mr. Chairman, as I stated at the opening of this justification, I believe this to be a most prudent budget for CBO. Our budget request is driven by mounting personnel costs, the need to staff to our authorized ceiling, and a need to return to historical spending levels the very cost-productive areas of computer systems development and automated data processing. It is, I believe, a budget that will allow CBO to continue to serve the Congress at a high professional level. Thank you, Mr. Chairman.

APPENDIX A

CBO PANEL OF ECONOMIC ADVISERS

Barry P. Bosworth
Senior Fellow
The Brookings Institution

Andrew Brimmer
President
Brimmer & Co., Inc.

Martin Feldstein
President
National Bureau
of Economic Research

Lawrence R. Klein
Benjamin Franklin
Professor of Economics
University of Pennsylvania
Department of Economics

John Makin
Director, Fiscal Policy Studies
American Enterprise Institute for
Policy Research

Paul W. McCracken
Edmund Ezra Day
Distinguished Professor of
Business Administration

Rudolph Oswald
Director, Research Department
AFL-CIO

Joseph A. Pechman
Senior Fellow
The Brookings Institution

Rudolph G. Penner
Senior Fellow
The Urban Institute

George Perry
Senior Fellow
The Brookings Institution

Alice M. Rivlin
Senior Fellow
The Brookings Institution

Jeffrey Sachs
Professor of Economics
Department of Economics
Harvard University

Paul Samuelson
Institute Professor
Department of Economics
Massachusetts Institute
of Technology

Charles Schultze
Director, Economic Studies
The Brookings Institution

Herbert Stein
Senior Fellow
American Enterprise Institute
for Public Policy Research

Lawrence Summers
Harvard University
Department of Economics

James Tobin
Sterling Professor of Economics
Department of Economics
Yale University

Murray Weidenbaum
Director, Center for the Study
of American Business
Washington University

APPENDIX B

SUMMARY OF PROGRAMS FUNDED IN FISCAL YEAR 1989 WITHOUT SPECIFIC AUTHORIZATIONS OF APPROPRIATIONS

House Armed Services Committee

P. L. 97-35 Omnibus Budget Reconciliation Act of 1981

* DOE naval petroleum and oil shale reserves

FY 1984 Appropriations Authorized: $ 292,305,000

Unauthorized FY 1989 Appropriations: $ 185,071,000

House Banking, Finance and Urban Affairs Committee

P. L. 100-274 Bureau of Mint appropriations authorization for FY 1988

* Bureau of Mint operations

FY 1988 Appropriations Authorized: $ 46,511,000

Unauthorized FY 1989 Appropriations: $ 47,000,000

House Foreign Affairs Committee

P. L. 99-529 Special Foreign Assistance Act of 1986

* International narcotics programs; child survival fund; operating expenses of the Office of the AID Inspector General; AID functional development assistance for health programs; and funds appropriated to the President for international organizations and programs

FY 1987 Appropriations Authorized: $ 578,279,000

Unauthorized FY 1989 Appropriations: $ 1,543,141,000

P. L. 99-399 Omnibus Diplomatic Security and Antiterrorism Act of 1986

* Peace Corps; State Department anti-terrorism assistance

FY 1987 Appropriations Authorized: $ 151,880,000

Unauthorized FY 1989 Appropriations: $ 163,340,000

P. L. 99-83 International Security and Development Cooperation Act of 1985

* Funds appropriated to the President for international security and economic development assistance, including AID programs and operations, Inter-American Foundation, and African Development Foundation

FY 1987 Appropriations Authorized: $ 11,783,162,000

Unauthorized FY 1989 Appropriations: $ 8,631,939,000

House Government Operations Committee

P. L. 99-191 Office of Federal Procurement Policy Act Amendments of 1983

* Office of Federal Procurement Policy

FY 1987 Appropriations Authorized: $ 4,500,000

Unauthorized FY 1989 Appropriations: $ 2,353,000

House Administration Committee

P. L. 96-253 Federal Election Commission Authorization for FY 1981

* Federal Election Commission

FY 1981 Appropriations Authorized: $ 9,400,000

Unauthorized FY 1989 Appropriations: $ 15,433,000

House Interior and Insular Affairs Committee

P. L. 98-553 Nuclear Regulatory Commission Reauthorization

* NRC salaries and expenses

FY 1985 Appropriations Authorized: $ 460,000,000

Unauthorized FY 1989 Appropriations: $ 420,000,000

P. L. 97-35 Omnibus Budget Reconciliation Act of 1981

* Holocaust Memorial Council

FY 1984 Appropriations Authorized: $ 1,000,000

Unauthorized FY 1989 Appropriations: $ 2,244,000

House Energy and Commerce Committee

P. L. 99-570 Anti-Drug Abuse Act of 1986

* HHS grants to states for substance abuse services

FY 1987 Appropriations Authorized: $ 241,000,000

Unauthorized FY 1989 Appropriations: $ 177,840,000

P. L. 99-339 Safe Drinking Water Act Amendments of 1986

* EPA monitoring for unregulated contaminants

FY 1987 Appropriations Authorized: $ 30,000,000

Unauthorized FY 1989 Appropriations: Not Available

P. L. 99-272 Consolidated Omnibus Budget Reconciliation Act of 1985

* Grants to AMTRAK

FY 1988 Appropriations Authorized: $ 638,300,000

Unauthorized FY 1989 Appropriations: $ 584,000,000

P. L. 98-616 The Hazardous and Solid Waste Amendments of 1984

- EPA solid and hazardous waste disposal and resource management programs

FY 1988 Appropriations Authorized: $ 237,529,000

Unauthorized FY 1989 Appropriations: Not Available

P. L. 98-559 Hazardous Materials Transportation Act Authorization for Fiscal Years 1985 and 1986

- DOT hazardous materials transportation programs

FY 1986 Appropriations Authorized: $ 8,000,000

Unauthorized FY 1989 Appropriations: $ 8,500,000

P. L. 98-553 Nuclear Regulatory Commission Reauthorization

- NRC salaries and expenses

FY 1985 Appropriations Authorized: $ 460,000,000

Unauthorized FY 1989 Appropriations: $ 420,000,000

P. L. 98-512 Reauthorization of Programs Under Titles X and XX of the Public Health Service Act

- HHS project grants and contracts for family planning services and for family planning and population growth information; adolescent family life demonstration projects

FY 1985 Appropriations Authorized: $ 192,600,000

Unauthorized FY 1989 Appropriations: $ 147,849,000

P. L. 98-181 Supplemental Appropriations Act, 1984

- DOE energy conservation programs

FY 1985 Appropriations authorized: Indefinite

Unauthorized FY 1989 Appropriations: $ 372,502,000

P. L. 97-331 Motor Vehicle Safety and Cost Savings Authorization Act of 1982

- DOT NHTSA motor vehicle and bumper safety standards, odometer requirements, and automobile consumer information study

FY 1985 Appropriations Authorized: $ 61,225,000

Unauthorized FY 1989 Appropriations: Not Available

P. L. 97-129 Toxic Substances Control Act Reauthorization for Fiscal Years 1982 and 1983

- EPA toxic substance programs

FY 1983 Appropriations Authorized: $ 63,500,000

Unauthorized FY 1989 Appropriations: Not Available

P. L. 97-63 National Tourism Policy Act

- U.S. Travel and Tourism Administration

  FY 1982 Appropriations Authorized: $ 8,600,000

  Unauthorized FY 1989 Appropriations: $ 13,800,000

P. L. 97-35 Omnibus Budget Reconciliation Act of 1981

- DOE naval petroleum and oil shale reserves

  FY 1984 Appropriations Authorized: $ 292,305,000

  Unauthorized FY 1989 Appropriations: $ 185,071,000

- Federal Energy Regulatory Commission, DOE departmental administration

  FY 1984 Appropriations Authorized: $ 521,963,000

  Unauthorized FY 1989 Appropriations: $ 505,263,000

- DOE fossil energy research and development

  FY 1984 Appropriations Authorized: $ 436,800,000

  Unauthorized FY 1989 Appropriations: $ 380,595,000

- DOE energy supply R&D activities

  FY 1984 Appropriations Authorized: $ 2,558,000,000

  Unauthorized FY 1989 Appropriations: $ 2,142,326,000

- DOE economic regulation and Energy Information Administration

  FY 1984 Appropriations Authorized: $ 137,000,000

  Unauthorized FY 1989 Appropriations: $ 84,228,000

- Consumer Product Safety Commission

  FY 1983 Appropriations Authorized: $ 38,000,000

  Unauthorized FY 1989 Appropriations: $ 34,500,000

P. L. 96-252 Federal Trade Commission Improvements Act of 1980

- Federal Trade Commission

  FY 1982 Appropriations Authorized: $ 80,000,000

  Unauthorized FY 1989 Appropriations: $ 66,243,000

P. L. 95-95 Clean Air Act Amendments

- EPA air pollution and control programs

  FY 1981 Appropriations Authorized: $ 211,500,000

  Unauthorized FY 1989 Appropriations: Not Available

- EPA Clean Air Act research, development, and demonstration programs, and studies and reports

  FY 1978 Appropriations Authorized: $ 277,000,000

  Unauthorized FY 1989 Appropriations: Not Available

House Judiciary Committee

P. L. 99-605 Refugee Assistance Extension Act of 1986

* HHS refugee assistance project starts; medical screening and initial treatment of refugees; assistance to states and counties for incarceration of certain Cuban nationals

FY 1988 Appropriations Authorized:	$	92,483,000
Unauthorized FY 1989 Appropriations:	$	382,354,000

P. L. 96-132 Department of Justice Appropriation Authorization Act, Fiscal Year 1980

* Activities of the Department of Justice except activities of the Office of Justice Programs

FY 1980 Appropriations Authorized:	$	1,954,112,000
Unauthorized FY 1989 Appropriations:	$	5,145,294,000

P. L. 95-222 Legal Services Corporation Act Amendments of 1977

* Federal payment to the Corporation

FY 1979 Appropriations authorized:		Indefinite
Unauthorized FY 1989 Appropriations:	$	308,555,000

House Merchant Marine and Fisheries Committee

P. L. 99-272 Consolidated Omnibus Budget Reconciliation Act of 1985

* NOAA reporting of weather modification activities and research

FY 1988 Appropriations Authorized:	$	100,000
Unauthorized FY 1989 Appropriations:	$	100,000

* DOT Marad research and development, and operations and training programs; Federal Maritime Commission

FY 1986 Appropriations Authorized:	$	93,807,000
Unauthorized FY 1989 Appropriations:	$	190,586,000

* NOAA ocean pollution planning, weather modification, and national climate programs

FY 1987 Appropriations Authorized:	$	5,814,000
Unauthorized FY 1989 Appropriations:	$	4,858,000

P. L. 99-198 Food Security Act of 1985

* NOAA national aquaculture policy, planning and development

FY 1988 Appropriations Authorized:	$	1,000,000
Unauthorized FY 1989 Appropriations:	$	4,344,000

P. L. 98-498 Marine Sanctuaries Amendments of 1984

* NOAA marine sanctuary programs and activities

FY 1988 Appropriations Authorized:	$	3,900,000
Unauthorized FY 1989 Appropriations:	$	3,137,000

P. L. 98-364 Marine Mammal Protection Act of 1972 Reauthorization for Fiscal Years 1985 through 1988

- NOAA monitoring of the marine mammal population incidentally taken in commercial tuna fishing in the eastern tropical Pacific Ocean ($4,000,000 lump-sum authorization for FY 1984-1988)

FY 1988 Appropriations authorized: Indefinite

Unauthorized FY 1989 Appropriations: Not Available

House Public Works and Transportation Committee

P. L. 97-364 Alcohol Traffic Safety Programs and National Driver Register Authorization

- NHTSA alcohol safety incentive grants

FY 1985 Appropriations Authorized: $ 50,000,000

Unauthorized FY 1989 Appropriations: $ 11,000,000

P. L. 97-202 Authorization for Nonperforming Arts Functions of the John F. Kennedy Center for the Performing Arts

- Nonperforming arts functions of the John F. Kennedy Center

FY 1983 Appropriations Authorized: $ 4,247,000

Unauthorized FY 1989 Appropriations: $ 5,181,000

P. L. 97-35 Omnibus Budget Reconciliation Act of 1981

- Economic Development Administration

FY 1982 Appropriations Authorized: $ 232,000,000

Unauthorized FY 1989 Appropriations: $ 182,028,000

- DOE power marketing administrations

FY 1984 Appropriations Authorized: $ 327,568,000

Unauthorized FY 1989 Appropriations: $ 273,413,000

- Appalachian Regional Commission

FY 1982 Appropriations Authorized: $ 217,900,000

Unauthorized FY 1989 Appropriations: $ 110,700,000

P. L. 95-599 Surface Transportation Assistance Act of 1978

- FHA access highways to public recreation areas on certain lakes (PL 100-17 reauthorized this program only for several North Carolina Projects)

FY 1982 Appropriations Authorized: $ 15,000,000

Unauthorized FY 1989 Appropriations: $ 1,291,000

House Science, Space and Technology Committee

P. L. 98-181 Supplemental Appropriations Act, 1984

- DOE energy conservation programs

FY 1985 Appropriations authorized: Indefinite

Unauthorized FY 1989 Appropriations: $ 372,502,000

P. L. 97-35 Omnibus Budget Reconciliation Act of 1981

- DOE naval petroleum and oil shale reserves

FY 1984 Appropriations Authorized: $ 292,305,000

Unauthorized FY 1989 Appropriations: $ 185,071,000

- DOE fossil energy research and development

FY 1984 Appropriations Authorized: $ 436,800,000

Unauthorized FY 1989 Appropriations: $ 380,595,000

- DOE energy supply R&D activities

FY 1984 Appropriations Authorized: $ 2,558,000,000

Unauthorized FY 1989 Appropriations: $ 2,142,326,000

- DOE geothermal resources development fund and general science and research activities

FY 1984 Appropriations Authorized: $ 647,200,000

Unauthorized FY 1989 Appropriations: $ 922,191,000

P. L. 96-229 Environmental Research, Development, and Demonstration Authorization Act of 1980

- EPA environmental research, development and demonstration programs

FY 1980 Appropriations Authorized: $ 312,547,000

Unauthorized FY 1989 Appropriations: Not Available

House Ways and Means Committee

P. L. 100-203 Omnibus Budget Reconciliation Act of 1987

- U.S. International Trade Commission, and the Office of the U.S. Trade Representative

FY 1988 Appropriations Authorized: $ 50,558,000

Unauthorized FY 1989 Appropriations: $ 51,187,000

APPENDIX B. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BETWEEN JANUARY 15, 1989 AND SEPTEMBER 30, 1989

House Agriculture Committee

P. L. 99-641 Futures Trading Act of 1986

- Commodity Futures Trading Commission

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

House Armed Services Committee

P. L. 100-456 National Defense Authorization Act, Fiscal Year 1989

- All DOD military programs except military construction and family housing; DOE atomic energy and FEMA civil defense programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 212,366,400,000

P. L. 100-453 Intelligence Authorization Act, Fiscal Year 1989

- Intelligence community staff; CIA retirement and disability fund

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 168,245,000

- Intelligence and intelligence-related activities of various agencies

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-180 Department of Defense Authorization Act, FY 1988

- DOD military construction and family housing programs (lump-sum authorization of $8,448,500,000 for FY 1988-89)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-661 National Defense Authorization Act for Fiscal Year 1987

- DOD military construction and land acquisition for Fort Drum, NY (advance authorization)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 214,000,000

House Banking, Finance and Urban Affairs Committee

P. L. 100-418 Omnibus Trade and Competitiveness Act of 1988

- Eximbank tied aid credit fund (lump-sum authorization of $300 million for fiscal years 1987-89)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-242 Housing and Community Development Act of 1987

- HUD housing and community development programs, except Section 202 loans for housing for the elderly and handicapped

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 12,471,945,000

- FmHA rural housing programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 360,803,000

- HUD Section 202 loans for housing for the elderly and handicapped

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-441 Defense Production Act Amendments of 1986

- Purchase of raw materials and installation of equipment according to the Defense Production Act of 1950 (lump-sum authorization of $150 million from FY 1987-89)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

House Education and Labor Committee

P. L. 100-569 Reauthorization of Titles V and VI of the Library Services and Construction Act

- DOEd grants for library foreign languages materials acquisition and literacy programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-418 Omnibus Trade and Competitiveness Act of 1988

- DOEd Perkins Act vocational education programs for adult training, retraining, and employment development, and support for industry-education partnerships to train workers for high-technology occupations (supercede authorizations for same programs in P.L. 98-524)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 60,000,000

P. L. 100-403 Temporary Child Care for Handicapped Children and Crisis Nurseries Act Extension

- HHS temporary child care for handicapped children and crisis nurseries programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-297 Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments Act of 1988

- National Commission on Migrant Education; DOEd programs to assist school dropout prevention, basic skills teaching, and individuals at risk

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 256,000,000

P. L. 100-175 Older Americans Act Amendments of 1987

- Ombudsman and advocacy demonstration projects

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,000,000

P. L. 99-661 National Defense Authorization Act for Fiscal Year 1987

- USDA summer food service program for children in service institutions; state administrative expenses under the Child Nutrition Act

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

- USDA special supplemental food program for women, infants and children (WIC); nutrition education and training program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,794,000,000

P. L. 99-608 Joseph W. Martin Institute Authorization

- Assistance for the construction of the Joseph W. Martin Institute for Law and Society ($6,000,000 authorized for fiscal years 1986-89)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-551 Domestic Volunteer Service Act Amendments of 1986

- VISTA volunteer antipoverty programs and literacy corps; retired senior volunteer, foster grandparent, older American Community service, and senior companion programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 193,816,000

P. L. 99-498 Higher Education Amendments of 1986

- Studies of the impact of changes in student assistance on grades, establishment of a National Endowment for International Studies, the cost of higher education, evaluation of continuing education bankruptcy treatment of students, and eligibility for Pell grants of less than half-time students

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 2,700,000

P. L. 99-457 Education of the Handicapped Act Amendments of 1986

- DOEd programs authorized by the Education of the Handicapped Act; except state entitlements and pre-school children grants (indefinite amounts permanently authorized) and state infants and toddlers grants

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 206,175,000

P. L. 99-425 Human Services Reauthorization Act of 1986

- HHS grants for demonstration partnership agreements addressing the needs of the poor

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

P. L. 98-524 Carl D. Perkins Vocational Education Act

- DOEd vocational education assistance to states, and grants, research and demonstration programs (some authorizations superceded by P.L. 100-418)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 98-480 Library Services and Construction Act Amendments of 1984

- DOEd library services annual state program, public library construction, and interlibrary cooperation and resource sharing

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 175,000,000

House Foreign Affairs Committee

P. L. 100-690 Anti-Drug Abuse Act of 1988

- State Department rewards and visas; U.S. Customs Service document processing

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 21,000,000

- Multilateral and military assistance and international narcotics control

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 119,000,000

P. L. 100-418 Omnibus Trade and Competitiveness Act of 1988

- Trade and development program; provision of medical supplies and hospital equipment to Poland

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 12,000,000

- Commerce Department export controls activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 46,913,000

P. L. 100-213 Arms Control and Disarmament Amendments Act of 1987

- Arms Control and Disarmament Agency activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 29,800,000

P. L. 100-204 Foreign Relations Authorization Act, Fiscal Years 1988 and 1989

- State Department administration of foreign affairs, diplomatic security program, international organizations and conferences, international commissions and other programs, USIA, educational and cultural programs, Voice of America, Board for International Broadcasting, and the Asia Foundation

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 3,879,267,000

- State Department migration and refugee assistance

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 343,485,000

P. L. 99-83 International Security and Development Cooperation Act of 1985

- Economic support fund nonmilitary assistance for Central American countries

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,200,000,000

House Government Operations Committee

P. L. 99-591 Continuing Appropriations Act, Fiscal Year 1987

- Paperwork Reduction Act activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,500,000

House Administration Committee

P. L. 100-158 Speaker of the House Civic Achievement Award Program Authorization

- Civic Achievement Award Program in honor of the office of the Speaker of the U.S. House of Representatives

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 680,000

P. L. 99-473 American Folklife Center Reauthorization for FY 1987-89

- American Folklife Center

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 975,000

House Interior and Insular Affairs Committee

P. L. 99-658 Compact of Free Association Approval

- Interior Department elimination of erosion in the Cuyahoga Valley National Recreation Area

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,750,000

P. L. 99-507 Deep Seabed Hard Mineral Resources Reauthorization Act of 1986

- NOAA deep seabed hard mineral resources programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,500,000

P. L. 99-187 Mary McLeod Bethune Council House National Historic Site Reauthorization

- Mary McLeod Bethune Council House historic site

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 120,000

P. L. 98-483 National Historic Preservation Act Reauthorization

- Advisory Council on Historic Preservation

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 2,500,000

P. L. 98-409 State Mining and Mineral Resources Research Institute Program Authorization

- Specific mineral demonstration projects by mining and minerals research institutes for the Bureau of Mines, and publication of results

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 15,000,000

P. L. 98-242 Water Resources Research Act of 1984

- USGS water resources research and technology institutes

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 36,000,000

House Energy and Commerce Committee

P. L. 100-594 Federal Communications Commission Authorization Act of 1988

- Commission activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 109,250,000

P. L. 100-584 National Telecommunications and Information Administration Authorization

- NTIA activities and Commerce Department acquisition of satellite space segment capacity for communications services for the Pacific Basin region

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 16,700,000

P. L. 100-181 Securities Law Technical Amendments Act of 1987

- SEC activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 172,200,000

P. L. 99-660 Various HHS Mental Health, Aging, and Health Authorizations

- HHS grants to states for comprehensive mental health services plan development

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 10,000,000

- Payments to the health maintenance organization loan fund

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-509 Omnibus Budget Reconciliation Act of 1986

- Strategic Petroleum Reserve acquisition of petroleum

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 479,000,000

P. L. 99-499 Superfund Amendments and Reauthorization Act of 1986

- EPA radon gas assessment and demonstration program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

P. L. 97-125 Union Station Redevelopment Act of 1981

- Purchases of property leased at Union Station

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 275,000

House Judiciary Committee

P. L. 100-690 Anti-Drug Abuse Act of 1988

- FBI, INS, DEA, Federal Prison System and other Department of Justice anti-drug abuse programs; federal judiciary expenses (includes a $10 million increase in the authorization for services for drug-dependant offenders)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 567,156,000

- DEA drug education and INS drug education officers programs

  Expiration Date: September 30, 1989

  FY 1990 Appropriations Authorized: Indefinite

P. L. 98-183 United States Commission on Civil Rights Act of 1983

- U.S. Commission on Civil Rights

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 98-101 Commission on the Bicentennial of the Constitution Authorization

- Commission on the Bicentennial of the Constitution

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

House Merchant Marine and Fisheries Committee

P. L. 100-690 Anti-Drug Abuse Act of 1988

- U.S. Coast Guard acquisition, construction and improvements

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 200,000,000

P. L. 100-629 Approval of a Fishery agreement between the U.S. and the Soviet Union

- NOAA Great Lakes shoreline mapping plan

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 100,000

P. L. 100-478 Endangered Species Act Authorization

- Department of Commerce sea turtle conservation programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,500,000

P. L. 100-448 Coast Guard Authorization Act of 1988

- All Coast Guard activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 2,896,806,000

P. L. 100-350 Approval of a Fishery Agreement between the U.S. and East Germany

- Fishermen's Protective Act reimbursement of owners of seized or detained commercial fishing vessels and their crews

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-220 United States-Japan Fishery Agreement Approval Act of 1987

- New York Bight restoration plan and plastic study (lump-sum authorization of $3,000,000 from FY 1988-1990)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-659 U.S. Fisheries Laws Amendments

- NOAA fishery conservation and management and marine fisheries programs; activities under the Central, Western, and South Pacific Fisheries Development Act

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 87,000,000

- Interior Department Anadromous Fish Conservation Act programs and activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 8,152,000

- NOAA Atlantic Tunas Convention Act of 1975 programs and activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-507 Deep Seabed Hard Mineral Resources Reauthorization Act of 1986

- NOAA deep seabed hard mineral resources programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,500,000

P. L. 99-499 Superfund Amendments and Reauthorization Act of 1986

- EPA radon gas assessment and demonstration program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

House Public Works and Transportation Committee

P. L. 100-17 Surface Transportation and Uniform Relocation Assistance Act of 1987

- Feasibility study of using highway electrification systems

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 970,000

P. L. 99-662 Water Resources Conservation, Development, and Infrastructure Improvement and Rehabilitation Act of 1985

- Corps of Engineers wetlands projects in the lower Mississippi Valley

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 2,000,000

P. L. 99-499 Superfund Amendments and Reauthorization Act of 1986

- EPA radon gas assessment and demonstration program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

House Select Committee on Intelligence

P. L. 100-453 Intelligence Authorization Act, Fiscal Year 1989

- Intelligence community staff; CIA retirement and disability fund

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 168,245,000

- Intelligence and intelligence-related activities of various agencies

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

House Science, Space and Technology Committee

P. L. 100-685 National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989

- All NASA activities other than the U.S. International Space Station (authorized through fiscal year 1991)

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 10,294,400,000

- DOT commercial space transportation program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 3,827,000

- NOAA National Weather Service operations and research; public warnings and forecast systems; climate and air quality research; atmospheric research; satellite observing systems; and data and information services

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 880,500,000

P. L. 100-519 National Institute of Standards and Technology Authorization Act for Fiscal Year 1989

- Institute activities

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 174,039,000

House Small Business Committee

P. L. 100-590 Small Business Administration Reauthorization and Amendment Act of 1988

- Small Business Administration programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 490,000,000

P. L. 100-418 Omnibus Trade and Competitiveness Act of 1988

- SBA international trade and competitiveness activities and Small Business Development Center programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 3,560,000

House Veterans' Affairs Committee

P. L. 100-687 Veterans Judicial Review Act

- VA state cemetary grant program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

P. L. 100-323 Veterans' Employment, Training, and Counseling Amendments of 1988

- VA veterans job training programs

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 60,000,000

P. L. 100-322 Veterans' Benefits and Services Act of 1988

- VA pilot program of community-based residential care for homeless chronically mentally ill and other veterans

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 6,000,000

House Ways and Means Committee

P. L. 100-690 Anti-Drug Abuse Act of 1988

- All U.S. Customs Service activities, including a new border security program; BATF personnel for career criminal apprehension

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 1,278,773,000

P. L. 100-647 Technical and Miscellaneous Revenue Act of 1988

- State independent living initiatives for children on AFDC who are in foster care

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 100-203 Omnibus Budget Reconciliation Act of 1987

- National Commission on Children

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: Indefinite

P. L. 99-499 Superfund Amendments and Reauthorization Act of 1986

- EPA radon gas assessment and demonstration program

  Expiration Date: September 30, 1989

  FY 1989 Appropriations Authorized: $ 5,000,000

APPENDIX C

REPORT ON UNAUTHORIZED APPROPRIATIONS AND EXPIRING AUTHORIZATIONS

OVERVIEW

The Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) requires the Congressional Budget Office (CBO) to report to the Congress on unauthorized appropriations and expiring authorizations. Section 221(b) of the Act added this requirement to Section 202(f) of the Congressional Budget and Impoundment Control Act of 1974, as amended:

> (3) On or before January 15 of each year, the Director, after consultation with the appropriate committees of the House and the Senate, shall submit to the Congress a report listing (A) all programs and activities funded during the fiscal year ending September 30 of that calendar year for which authorizations for appropriations have not been enacted for that fiscal year, and (B) all programs and activities for which no authorizations for appropriations have been enacted for the fiscal year beginning October 1 of that calendar year.

The conference report on the Balanced Budget Act states that the purpose of the requirement is "to help Congress use the early months of the year to adopt authorizing legislation that must be in place before the thirteen regular appropriation bills can be considered."

The body of this report consists of two appendixes. Appendix A summarizes unauthorized fiscal year 1989 appropriations. Appendix B lists authorizations that will expire by the end of fiscal year 1989. The listings include data on all public laws enacted during the 100th Congress. The information is contained in CBO's Legislative Classification System (LCS) and estimates of the current level of federal spending for fiscal year 1989.

PROGRAMS FUNDED IN FISCAL YEAR 1989 WITHOUT AUTHORIZATIONS OF APPROPRIATIONS

Appendix A summarizes programs and activities that have received fiscal year 1989 appropriations, but which lack authorizations of appropriations for that year.

The Congress at one time provided explicit authorizations of appropriations for the programs listed, but the authorizations expired and have not been renewed. Appendix A shows the last funding level authorized for each of these programs.

Where the appropriate fiscal year 1989 appropriations bills or the legislative history provided explicit funding levels for programs listed in Appendix A, the amounts are shown. When no explicit amounts were provided (as when a small program was funded at an unidentified level in a large appropriation account), the Appendix notes that no amounts are available, and no dollar figures are shown.

Two characteristics of the information in Appendix A should be noted. First, even if the fiscal year 1989 appropriation for a program or activity was not authorized, the agency normally may obligate and spend the funds. Second, Appendix A may not list every program and activity funded in fiscal year 1989 without an authorization, since CBO does not track expiring organic authorizations (those that do not explicitly authorize appropriations) or unauthorized earmarks in appropriation acts.

Tables 1 and 2 summarize the amounts appropriated in fiscal year 1989 for programs and activities without authorizations by House and Senate authorizing committees, respectively. Table 3 summarizes the funding levels for programs that once had explicit authorizations of appropriations, listing the amounts by public law.

Major Unauthorized Programs

Most of the $23.1 billion in fiscal year 1989 appropriations for unauthorized programs summarized in Appendix A are in three areas. Over $10.2 billion are for international security and development and foreign assistance programs. The 99th Congress authorized funding for those programs through fiscal year 1987. Over $5.1 billion are for the Department of Justice. The annual authorization for most of the Department's programs has not been enacted since 1979. Nearly $4.9 billion of the unauthorized funds are for civilian Department of Energy programs. Although annual authorizations of appropriations for them are required by law, funding for most of these programs were last authorized, through fiscal year 1984, in the Omnibus Budget Reconciliation Act of 1981.

TABLE 1. FISCAL YEAR 1989 APPROPRIATIONS THAT LACK SPECIFIC AUTHORIZATIONS OF APPROPRIATIONS, BY HOUSE AUTHORIZING COMMITTEE

House Committee	Number of Laws	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
Armed Services	1	185,071
Banking, Finance, and Urban Affairs	1	47,000
Foreign Affairs	3	10,338,420
Government Operations	1	2,353
House Administration	1	15,433
Interior and Insular Affairs	2	422,244
Energy and Commerce	14	5,122,717
Judiciary	3	5,836,205
Merchant Marine and Fisheries	4	203,025
Public Works and Transportation	4	583,613
Science, Space, and Technology	3	4,002,685
Ways and Means	1	51,187
Total	31 b/	23,124,388 b/

SOURCE: Congressional Budget Office.

a. Amounts specified in statute or legislative history only.
b. Authorizations under the jurisdiction of more than one committee are counted only once in total.

TABLE 2. FISCAL YEAR 1989 APPROPRIATIONS THAT LACK SPECIFIC AUTHORIZATIONS OF APPROPRIATIONS, BY SENATE AUTHORIZING COMMITTEE

Senate Committee	Number of Laws	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
Banking, Housing, and Urban Affairs	1	47,000
Commerce, Science, and Transportation	10	921,905
Energy and Natural Resources	3	5,287,833
Environment and Public Works	9	718,363
Finance	1	51,187
Foreign Relations	3	10,338,420
Governmental Affairs	1	2,353
Judiciary	2	5,527,650
Labor and Human Resources	3	634,244
Rules and Administration	1	15,433
Total	31 b/	23,124,388 b/

SOURCE: Congressional Budget Office.

a. Amounts specified in statute or legislative history only.
b. Authorizations under the jurisdiction of more than one committee are counted only once in total.

TABLE 3. FISCAL YEAR 1989 APPROPRIATIONS OVER $50 MILLION FOR PROGRAMS WITH EXPIRED AUTHORIZATIONS OF APPROPRIATIONS, BY EXPIRED AUTHORIZING LAW

Title of Expired Authorizing Law	Public Law Number	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
International Security and Development Cooperation Act of 1985	99-83	8,631,939
Department of Justice Appropriation Authorization Act, Fiscal Year 1980	96-132	5,145,294
Omnibus Budget Reconciliation Act of 1981 b/	97-35	4,822,559
Special Foreign Assistance Act of 1986	99-529	1,543,141
Consolidated Omnibus Budget Reconciliation Act of 1985 c/	99-272	779,544
Nuclear Regulatory Commission Reauthorization	98-553	420,000
Refugee Assistance Extension Act of 1986	99-605	382,356
Supplemental Appropriations Act, 1984 d/	98-181	372,502
Legal Services Corporation Act Amendments of 1977	95-222	308,555
Anti-Drug Abuse Act of 1986	99-570	177,840
Omnibus Diplomatic Security and Antiterrorism Act of 1986	99-399	163,340
Reauthorization of Programs Under Titles X and XX of the Public Health Service Act	98-512	147,849

SOURCE: Congressional Budget Office.

a. Specific amounts in statute or report language.
b. DOE civilian energy programs, EDA, Holocaust Memorial Council, Appalachian Regional Commission, Consumer Product Safety Commission.
c. AMTRAK, certain NOAA programs, DOT maritime programs, Federal Maritime Commission.
d. DOE energy conservation programs.

TABLE 3. Continued

Title of Expired Authorizing Law	Public Law Number	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
Federal Trade Commission Improvements Act of 1980	96-252	66,243
Omnibus Budget Reconciliation Act of 1987 e/	100-203	51,187
Motor Vehicle Safety and Cost Savings Authorization Act of 1982	97-331	f/
Toxic Substances Control Act Reauthorization for Fiscal Years 1982 and 1983	97-129	f/
Environmental Research, Development and Demonstration Authorization Act of 1980	96-229	f/
Clean Air Act Amendments	95-95	f/

SOURCE: Congressional Budget Office.

e. U.S. International Trade Commission and Office of the U.S. Trade Representative.
f. Not available; estimated funding level exceeds $50 million.

SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BETWEEN JANUARY 15, 1989 AND SEPTEMBER 30, 1989

Appendix B summarizes the authorizations of appropriations that will expire between January 15 and September 30, 1989. The listing indicates by public law the amounts authorized to be appropriated for expiring programs and activities.

Tables 4 through 7 provide aggregate information on the expiring authorizations of appropriations listed in Appendix B. Table 4 shows the number of laws that will expire before fiscal year 1990, classified by the amounts they authorize to be appropriated for fiscal year 1989. Tables 5 and 6 summarize the expiring laws by House and Senate authorizing committees, respectively. Shown for each committee are the number of expiring laws under its jurisdiction and the total authorizations for fiscal year 1989. Table 7 lists the expiring laws that authorize fiscal year 1989 appropriations greater than $50 million.

Major Expiring Authorizations

Most of the expiring laws listed in Appendix B are annual authorizations. The largest of these include statutes that authorize fiscal year 1989 funding for the Department of Defense, the National Aeronautics and Space Administration, the U.S. Coast Guard, the Small Business Administration, various anti-drug abuse programs, the National Institute of Standards and Technology, the federal intelligence agencies, the Securities and Exchange Commission, and the Federal Communications Commission.

Also expiring before fiscal year 1990 are two-year authorizations for the Department of Housing and Urban Development and the housing programs of the Farmers Home Administration, and for the State Department. Expiring three-year authorizations include those for the special supplemental food program for women, infants, and children (WIC), the Strategic Petroleum Reserve, some education programs for the handicapped, and VISTA.

TABLE 4. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BEFORE FISCAL YEAR 1990

Public laws authorizing Fiscal Year 1989 appropriations:	
Less than $50 million	23
$50 to $500 million	13
Greater than $500 million	9
Indefinite	12
Total	57

SOURCE: Congressional Budget Office.

TABLE 5. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BEFORE FISCAL YEAR 1990, BY HOUSE AUTHORIZING COMMITTEE

House Committee	Number of Laws	Total Authorization Amounts a/ (thousands of dollars)
Agriculture	1	N/A b/
Armed Services	4	212,580,400
Banking, Finance, and Urban Affairs	3	12,840,948
Education and Labor	13	2,693,691
Foreign Affairs	5	5,651,465
Government Operations	1	5,500
House Administration	2	1,655
Interior and Insular Affairs	6	56,870
Energy and Commerce	7	792,425
Judiciary	3	567,156
Merchant Marine and Fisheries	10	3,193,558
Public Works and Transportation	3	2,970
Select Intelligence	1	168,245
Science, Space and Technology	2	11,352,766
Small Business	2	493,500
Veterans Affairs	3	86,000
Ways and Means	4	1,283,773
Total	57 c/	251,765,922 c/

SOURCE: Congressional Budget Office.

a. Amounts do not include indefinite authorizations.
b. Indefinite authorization.
c. Authorizations under the jurisdiction of more than one committee are counted only once in total.

TABLE 6. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BEFORE FISCAL YEAR 1990, BY SENATE AUTHORIZING COMMITTEE

Senate Committee	Number of Laws	Total Authorization Amounts a/ (thousands of dollars)
Agriculture, Nutrition, and Forestry	2	1,794,000
Armed Services	3	212,580,400
Banking, Housing, and Urban Affairs	4	13,013,148
Commerce, Science, and Transportation	12	14,672,549
Energy and Natural Resources	6	499,870
Environment and Public Works	5	45,470
Finance	4	1,283,773
Foreign Relations	5	5,651,465
Governmental Affairs	1	5,500
Judiciary	3	567,156
Labor and Human Resources	13	909,691
Rules and Administration	2	1,655
Select Intelligence	1	168,245
Veterans Affairs	3	86,000
Small Business	2	493,500
Total	57 b/	251,765,922 b/

SOURCE: Congressional Budget Office.

a. Amounts do not include indefinite authorizations.

b. Authorizations under the jurisdiction of more than one committee are counted only once in total.

TABLE 7. EXPIRING LAWS THAT AUTHORIZE APPROPRIATIONS GREATER THAN $50 MILLION FOR FISCAL YEAR 1989

Title of Expiring Authorizing Law	Public Law Number	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
National Defense Authorization Act, Fiscal Year 1989	100-456	212,366,400
Housing and Community Development Act of 1987	100-242	12,832,748
National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 b/	100-685	11,178,727
Foreign Relations Authorization Act, Fiscal Years 1988 and 1989	100-204	4,222,752
Coast Guard Authorization Act of 1988	100-448	2,896,806
Anti-Drug Abuse Act of 1988	100-690	2,185,929
National Defense Authorization Act for Fiscal Year 1987 c/	99-661	2,008,000
International Security and Development Cooperation Act of 1985	99-83	1,200,000
Small Business Administration Reauthorization and Amendment Act of 1988	100-590	490,000
Omnibus Budget Reconciliation Act of 1986 d/	99-509	479,000
Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments Act of 1988	100-297	256,000
Education of the Handicapped Act Amendments of 1986	99-457	206,175
Domestic Volunteer Service Act Amendments of 1986	99-551	193,816

SOURCE: Congressional Budget Office.

a. Amounts do not include indefinite authorizations.
b. NASA and NOAA National Weather Service programs.
c. Fort Drum, N.Y. project, and USDA WIC and other nutrition programs.
d. DOE strategic petroleum reserve.

TABLE 7. Continued

Title of Expiring Authorizing Law	Public Law Number	Fiscal Year 1989 Appropriation Amounts a/ (thousands of dollars)
Library Services and Construction Act Amendments of 1984	98-480	175,000
National Institute of Standards and Technology Authorization Act for Fiscal Year 1989	100-519	174,039
Securities Law Technical Amendments Act of 1987	100-181	172,200
Intelligence Authorization Act, Fiscal Year 1989	100-453	168,245
Omnibus Trade and Competitiveness Act of 1988	100-418	122,413
Federal Communications Commission Authorization Act of 1988	100-594	109,250
U.S. Fisheries Laws Amendments	99-659	95,152
Veterans' Employment, Training, and Counseling Amendments of 1988	100-323	60,000

APPENDIX D. SUMMARY OF COMPLETED CBO REPORTS BY REQUESTER (October 1, 1987 to September 30, 1988)

Requester	Number of Reports
House Armed Services Committee	7
House Budget Committee	4
House Energy and Commerce Committee[a]	1
House Post Office and Civil Service Committee	1
House Ways and Means Committee	1
Senate Appropriations Committee	1
Senate Armed Services Committee	3
Senate Budget Committee	6
Senate Commerce, Science, and Transportation Committee	1
Senate Environment and Public Works Committee	2
Senate Finance Committee[a]	1
Senate Governmental Affairs Committee	1
Joint Economic Commission	1
Mandated by the Congressional Budget Act of 1974	2
Mandated by the Balanced Budget Act of 1985	3
Total	35

a. Dual requesters.

BIOGRAPHY OF W. DAVID MONTGOMERY

EDUCATION:

Ph.D. in Economics, 1971, Harvard University

Fulbright Scholar, 1966-1967, Cambridge University

B.A. in Social Studies, 1966, Wesleyan University

EXPERIENCE:

Assistant Director, Natural Resources and Commerce Division, Congressional Budget Office, Washington, DC -- October 1988-present

Director, Economic Analysis and Resource Planning Division, Office of the Assistant Secretary of Defense for Program Analysis and Evaluation, The Pentagon, Washington, DC -- March 1988-October 1988

Director, Office of Energy Markets and End Use, Energy Information Administration, Washington, DC -- 1983-1988

Senior Fellow, Resources for the Future, Washington, DC -- 1981-1983

Deputy Assistant Secretary of Energy for Systems Analysis, Department of Energy, Washington, DC -- 1979-1981

Director, Office of Economic Analysis, Energy Information Administration, Washington, DC -- 1977-1979

Principal Analyst, Energy, Natural Resources and Commerce Division, Congressional Budget Office, Washington, DC -- 1975-1976

Assistant Professor of Economics, California Institute of Technology, Pasadena, CA -- 1971-1977

BIOGRAPHY OF FREDERICK C. RIBE

PERSONAL DATA: Date of Birth: March 3, 1951
Married, two children

PROFESSIONAL TRAINING: Ph.D. (Economics), Yale University, 1980

(Dissertation: "The Effects of Decentralization on the Efficiency of Stabilization Policy", James Tobin, Chairman)

B.A. (Economics, with honors), Swarthmore College, 1973.

PROFESSIONAL EXPERIENCE:

July, 1988--present:	Assistant Director for Fiscal Analysis Congressional Budget Office
January, 1987--June, 1988:	Economist, Fiscal Affairs Department International Monetary Fund
September, 1981--December 1987:	Principal Analyst, Fiscal Analysis Division, Congressional Budget Office
June 1980--August, 1981:	Associate Analyst, Tax Analysis Division Congressional Budget Office
September 1978--May 1980:	Economist, Domestic Research Department Federal Reserve Bank of New York
September, 1977--May 1978:	Acting Instructor, Department of Economics Yale University
July, 1973--August 1974:	Research Assistant, Economic Studies Program The Brookings Institution.

PUBLICATIONS:

"Economic Impacts of the Tax Reform Act of 1986: Short-run and Long-run Perspectives", Staff Working Paper, Congressional Budget Office, June 1987.

PUBLICATIONS (continued)

"The Fiscal-Monetary Mix and Long-Run Growth in an Open Economy", (with William J. Beeman), Papers and Proceedings, American Economic Association, Vol. 76, No. 2, (May 1986).

"The Effects of Changes in Interest Rates on Different Sectors of the U.S. Economy", Staff Memorandum, Congressional Budget Office, (June 1984).

"Forecasting Individual Income Tax Revenues: A Technical Analysis", Congressional Budget Office Special Study, August 1983

"How Changes in Fiscal Policy Affect the Budget: The Feedback Issue", Congressional Budget Office Special Study, June 1982.

LANGUAGES

Spanish (fluent)
French (excellent)
German (excellent)

REFERENCES: (Available upon request).

SUMMARY STATEMENT

Dr. REISCHAUER. Thank you very much. It is a pleasure to be here and to have a chance to explain our budget request for fiscal year 1990. As you know, this is my first appearance before this subcommittee.

Senator REID. I just mentioned that when you could not hear outside there. [Laughter.]

Dr. REISCHAUER. This is my first appearance before this subcommittee as the Director of CBO, and I want to assure you that under my watch, CBO's budget request before the subcommittee will be kept to the minimum amount that will be needed to perform those tasks that have been requested by the Congress.

Before I summarize our budget request, I would like to mention two activities in which CBO has participated during the past year. These activities represent additions to our normal workload, which you are familiar with already.

The first of these is that during fiscal year 1988, particularly the summer and the fall of this year, we provided considerable support for the National Economic Commission. Members of our staff testified a number of times on defense-related issues, on effects of the deficit on the economy, and on a number of other topics.

Moreover, the CBO baseline forecast and our economic assumptions and our deficit-reduction options were used as the basis for much of the deliberation that occurred within that Commission. The second thing I would like to bring to your attention is that we have been providing a good deal of support to the budget negotiations that are currently going on. Our staff has been involved in estimating alterative baselines and alternative deficit-reduction options.

I also would like to point out that two key positions at CBO have been filled during the past year, in addition to my own. The first position is that of Assistant Director for the Fiscal Analysis Division. An economist, Frederick Ribe, has been appointed to that position; and the second is the Assistant Director for the Natural Resources and Commerce Division. David Montgomery has been placed in that position.

1990 BUDGET REQUEST

Let me now turn and say a few words about our budget request. For fiscal year 1990, we are requesting $19,950,000, which is an increase of 8.7 percent over our estimated 1989 operating level. Of CBO's request, two-thirds is for personnel-related expenses; and five-eighths of that increase is needed simply to cover the 1990 cost of our 1989 personnel levels.

Our current authorized staff ceiling is 226 positions, but we are funded only for 221. As congressional demands for CBO's work continue to escalate, and the position of Deputy Director is filled, we would like to return once again to our authorized ceiling and fully fund our semester intern program as well.

I want to emphasize to you that we are not asking for any new staff positions. We have kept the ceiling on that for a number of years, and we are comfortable remaining at our current level.

Senator **Reid**. How many employees does the Congressional Budget Office have?

Dr. **Reischauer**. On board right now?

Senator **Reid**. Yes.

Dr. **Reischauer**. On board right now, we have 217; and we have offers outstanding which have been accepted for 4 more people; so we would be right at 221, if they all showed up tomorrow. Several of the positions, including my deputy, are not yet filled, but we will fill them as time allows.

Thirty percent of the requested increase reflects additional funds for ADP and systems development work. The 1990 requested level represents an annual average increase of less than inflation, if one calculates the increase since 1988.

Let me say a few words about personnel costs which, as I said, bulk large in our request, accounting for two-thirds of the total increase.

Senator **Reid**. We are going to have to take a break right now. I shall return. Sorry to do this; but I knew I was going to have to.

[Discussion off the record.]

Senator **Reid**. Would you proceed now, please?

Dr. **Reischauer**. I was describing that two-thirds of our requested increase related to personnel costs; I would also like to point out that the personnel component of our budget in 1990 will amount to 73 percent of the total budget, which is up from 59 percent as recently as fiscal year 1985.

Senator **Reid**. Give me those figures again, please.

Dr. **Reischauer**. In fiscal year 1985, 59 percent of CBO's total budget related to personnel. In fiscal year 1990, 73 percent of our total budget is related to personnel costs. Let me explain here why that has occurred. The major reasons are that we have had escalating benefit costs and we have had to absorb pay increases.

EMPLOYEE BENEFITS

Benefits are going to rise as a fraction of payroll to 24 percent of the total; they were 12 percent in the pre-FERS era. So the transformation of the Federal retirement system has really had a big impact on the Congressional Budget Office. Many of our employees are in the new system, which imposes additional costs on us.

Senator NICKLES. But 24 percent sounds too high. It does not sound right. Are you putting thrift in there?

Ms. HODGES. Yes; the 24 percent represents total benefits.

Dr. REISCHAUER. Yes; with the thrift plan, we are required to make a contribution depending on what the employee contributes, and a large fraction of our employees are in the new system.

Senator REID. What percentage of the work force is in FERS?

Ms. HODGES. 60 percent.

Senator REID. 60?

Dr. REISCHAUER. 60 percent. I think we are probably close to the high of any agency in town. Perhaps this means that we are all smarter than the rest of the agencies, or we are all making a terrible mistake. But, to give you an example, I examined the options very carefully when I came back to CBO. I could have gone into the other retirement system, but I went into the new system.

Senator NICKLES. I think it is a good option; but still, 24 percent sounds a little bit high.

Dr. REISCHAUER. We have had escalating health insurance premiums throughout the Government over these past years, and that is a factor. I was the senior vice president of the Urban Institute for a period of 5 years. When I left, our fringe benefit rate was 36 percent. That includes vacation pay and things like that. But if you were just talking about retirement plans and health insurance, you would be up at 24 percent without too much trouble.

Benefits are really escalating as a fraction of total payroll costs, and it is a change that has occurred throughout the American economy.

Senator REID. Do you know how this 24 percent compares with other agencies?

Dr. REISCHAUER. No; I do not. But we would be glad to provide you this information for the record.

Senator REID. Would you be interested in that, Don?

Senator NICKLES. Well, I am not interested in him having to do a lot of homework; but if it is readily available, I would like to see it.

Senator REID. Yes; do not do a major project, but I would just be curious.

Dr. REISCHAUER. OK. We will take a look and see if we can provide that for you. The other big chunk of increase that we are requesting, of course, relates to ADP and systems development.

[The information follows:]

COSTS OF EMPLOYEE BENEFITS

[By Government organization and as a percentage of payroll]

Agency	Fiscal year— 1988 actual	Fiscal year— 1989 estimate	Fiscal year— 1990 request
Congressional Budget Office	22	22	24
Office of Technology Assessment	19	19	19
House of Representatives	21	21	23
Congressional Research Service	15	16	17
General Accounting Office	15	16	17
Library of Congress	14	17	17
Joint Economic Committee	18	19	21
Office of Management and Budget	14	14	15

SOURCE: Congressional Budget Office based on information from the Government organizations cited in the table.

AUTOMATED DATA PROCESSING

Senator **Reid**. ADP, what is that?

Dr. **Reischauer**. It is basically the computer side of the organization.

Senator **Nickles**. So you are going to put in $0.5 million; are you buying something or are you in the process?

Dr. **Reischauer**. The answer to that is basically no. We are not buying any large computers or anything like that. Of the $473,000 increase that we are asking for, roughly $200,000 is related to increases in timesharing costs—that is, the amount we pay for use of other people's computers. The largest component of those timesharing costs consists of payments made to HIS—the House Information Service—for use of their computer.

So ADP timesharing costs represents one big chunk of our increase. We expect those costs to be rising for a simple reason; in nonelection years, the Congress stays in session longer, produces more work for us, and that in turn requires us to make more use of mainframe computers.

Senator **Nickles**. The House Information Service, is that funded through this committee? Is one of our branches in this committee paying another branch; so you are leasing time on the computer from them? You are paying for it?

Dr. **Reischauer**. We pay them back, as do other users of it, and I think it is a sound kind of budgeting principle. They offer a service that we use after we've looked around and said, "Is this the most cost effective way of achieving the results we have to come up with?"

Senator **Nickles**. But that is still a computer that we pay for.

Dr. **Reischauer**. But in their budget, they have receipts coming in from places like the Congressional Budget Office, which offset their total budget.

Mr. **Blum**. I want to explain that the General Accounting Office has also become a major user of HIS for their computer services. Originally, we relied on the private, commercial types of services. But as time has gone on, we have found that it is more cost effective, as HIS has improved its own capability, to purchase those services from them. It is also more convenient, in the sense that they are located physically in the same building.

Senator **Nickles**. Cheaper than Compu-Serve and Source; that is who I use?

Senator **Reid**. Do you have pooling arrangements with other agencies for procurement of data base or other computer services?

Dr. **Reischauer**. Some of that is going on, and we certainly look for any additional opportunities we can find in that area. A number of users on the Hill have pooling arrangements on information from Data Resources, which is a large economic forecasting firm that we use.

We, of course, share data with other agencies and get data from them, to the extent that that does not conflict with the rules under which one obtained the data. Lots of data is proprietary in nature, and sharing is excluded. But where possible, we do try and share, and get this information at the lowest possible cost.

Senator **Reid**. We interrupted you.

Dr. **Reischauer**. Yes; I was going to finish my answer to the Senator. I was explaining the $473,000 increase we are requesting in ADP and systems development, and I explained where $200,000 of it was, which was in the timesharing area; 223,000 dollars' worth of increases in systems, data, and model development. Those costs include getting data and the developing of new models that we need to do our work.

NEW EQUIPMENT

The final component of our ADP costs relates to purchases of new equipment. We are asking for a $50,000 increase in the budget to purchase microcomputers, and that is worth explaining in a little more detail. About 45 percent of our microcomputers are first-generation machines. These have been around, on the average, 4½ years, and have had a lot of heavy use at CBO. To put it another way, they really are the senior citizens of the computer world, and are ready for retirement. They are incapable of running a lot of the new software that we are getting; they do not have the capacity.

Therefore, we get these new programs that allow us to be more efficient and produce our reports in a more timely fashion. We have to get slightly bigger or newer machines on which we can run these models. Consequently, in the course of the next year, we would expect to replace a certain number of the older microcomputers that our analysts are using.

Let me mention the last component of the costs of the increase in our budget—that is, the amount we are requesting for other administrative expenses, which is an increase of $71,000, or 4.7 percent. This increase exclusively represents the impact of inflation on such things as printing costs, maintenance and repair of equipment, and the administrative support services we purchase from the Library of Congress.

What we have done is just to ask how much these prices and these costs are going to increase over what they were in the current fiscal year, and then add those amounts to our budget. We are not changing what we are buying, or the volume, or the nature of those purchases. To conclude, I think that the request that I have outlined here represents a very prudent budget; it is a budget that will allow CBO to continue to serve the Congress on the high professional level that the Congress has come to expect from us.

Senator **Reid**. Even though you were just appointed to the office of Director of CBO, I am sure you have had an opportunity, reflecting your career choices and meetings with staff and based on your prior experience with CBO, to establish some opinions.

What would be your thoughts as to the future direction of CBO?

OBJECTIVES FOR CBO

Dr. **Reischauer**. As you know, we are an analytical support agency for the Congress; so what we do and how we do it, to a large extent, is determined by the missions that are defined by the Budget Committees, the Appropriations Committees, and by specific pieces of legislation such as the Gramm-Rudman-Hollings law. I do not anticipate that there will be any radical changes in direction at CBO over the next few years.

I have gone around and talked to members of the committees that have used our services, trying to get the views of the customers. How is CBO doing? And they have given quite favorable comments, saying "You are doing the right thing in the right way," which suggests that others think that radical change is not required. But if I look ahead and ask, "Where do I want this agency to be 3, 4, or 5 years from now?" I would probably lay out three objectives.

The first of these objectives would be to retain and strengthen the commitment that CBO has shown for objective, dispassionate, and nonpartisan analysis; I would want to just make sure that characteristics of CBO is strengthened as much as possible.

Second, I would want to ensure that the analysis and budget estimates that we provide to the Congress are of the highest possible quality. What this means is that we will need to stay at the forefront of methodology, techniques, and computer equipment, so that we can really provide you with the best numbers obtainable.

In addition, it will require us to sit back and periodically question what we are doing. You can get into a rut of doing things over and over again in exactly the same fashion. I think it is good to question that, to stand back and say, "Is this really the right way?"

Senator **Reid**. Before Senator Nickles leaves, let me interrupt you.

Don, I stated for the record that I thought that the requests of all the agencies would be cut down. And I told them that you did not have the reputation since coming here as a big spender; and I think I would have adequate help cutting things down.

Senator **Nickles**. I will be happy to work with you; and we will work, too, with CBO to try and see that whatever changes are made, by necessity, will be made in a responsible manner. I look forward to working with you.

Senator **Reid**. Thank you, Don. Please proceed.

Dr. **Reischauer**. The third objective that I would lay out for the future is to try and increase CBO's flexibility. The priorities on Capitol Hill change very rapidly, and we have to be a nimble organization. We also have to be an organization that can provide you with thoughtful answers to questions that arise.

It is not good enough to be the best quick and dirty analysts in town. We should be people who produce analysis that will stand the test of time. If that is to come about, we are always going to have to try to do a good job anticipating what the issues are that will come up in the future—for example, what will be the S&L crisis 2 or 3 years from now? We need to prepare ourselves to be ready to help. For that reason, we have to do a lot of ground work in these areas, gather data, develop models, develop expertise, and yet retain enough flexibility so that if it turns out that the crisis is not in the S&L's, we can shift our capacity into other areas. That is not an easy thing to do, as you know, in any kind of organization, and I would hope to work on that—to improve our flexibility—over the next couple of years.

CATEGORIES OF EMPLOYEES

Senator **Reid**. Of the 200 plus employees you have, could you give me a breakdown as to what categories they fall into—professional staff, secretary—just give me an idea. And you do not have to be specific.

Dr. **Reischauer**. The vast majority of our people are professionals. Moreover, of the professionals, the vast majority are trained as economists. I am supposed to be adding these up? [Laughter.]

About 180 are professionals.

Senator **Reid**. That is a high percentage.

Dr. **Reischauer**. We are very lean in the other dimensions.

Senator **Reid**. That is very high.

Dr. **Reischauer**. One reason is that, when everybody is working on computers all the time, you end up typing a lot of your own stuff. I type a lot of my own testimony or summaries of testimony, simply because it is more efficient. As a result, we have pared down the number of secretaries since I was here 8 years ago.

Senator **Reid**. That certainly answers the question. You have given us a good outline as to your computer problems and some of the things that you hope to accomplish there. I do not think there is a lot that we need to go into in that regard. I think you have given me all I need there.

KEEPING COSTS DOWN

Dr. **Reischauer**. We have also tried hard to stay on the leading edge and yet keep costs down. To give you as an example, which I mentioned in my testimony, our timesharing costs for 1990—and we are talking about $3 million here—are below what they were in 1982 in nominal terms.

Now, part of the reason for that, of course, is that computer prices have gone down. But we have not tried to fill it up or anything. We have ridden the curve down and taken a lot of applications, which we used to do on mainframe computers, and brought them down and put them on the larger microcomputers that our staff has. Consequently, we have not had to pay those timesharing costs.

We will continue to do that kind of thing—to do as much as we can in-house on the small machines that we own and for which we do not have to pay outside vendors.

INCREASING WORKLOAD

Senator REID. You, of course, mentioned that your workload continues to increase. Are you having, in any specific areas, difficulty meeting requests for the work?

Dr. REISCHAUER. We try and be as responsive as possible, particularly to the major clients that we have—the Budget Committees, the Appropriations Committees, the tax writing committees. And to the extent that we have capacity, we try to respond to other committees and the leadership.

What mostly happens is that the timeframe within which we can respond lengthens when we get too many requests. Then we have to say, "We would like to do it; we will try and do it. But it does not look as if we will be able to complete it within the next 6 months."

Senator REID. Do you ever turn down requests for work?

Dr. REISCHAUER. Yes; we turn down requests for several reasons. I should stress, though, that most of this happens at an informal stage. We occasionally turn down work which is requested of us when it appears to be inappropriate, or when it appears to be something that would be better done by CRS, GAO, or OTA.

Senator REID. You just talk people out of it, so to speak.

Dr. REISCHAUER. We also have a coordinating committee among the agencies in which we might say, "We will trade you this project."

Since it really is more appropriate for you—GAO—to do, you should get back to this requester.

There are also instances where we turn down work because the requester will say, "I need this material within 1 week."

And we might have to say, "There is no way, given what we are doing to meet our requirements for the Balanced Budget Act, that we can get this done for you in the next 3 months." Then, basically, they will usually say, "Forget it."

Senator REID. Do you expect your work to increase in the years to come, or do you have a way of knowing?

Dr. REISCHAUER. Just looking at the past, I think the answer to that question has to be yes, as long as the budget deficit remains the No. 1 issue before the Nation. We have had added work put on us because of Gramm-Rudman-Hollings. We have had added work put on us because of the nature of the resolution of the budget crisis. And now there are summit negotiations, it appears, every year or every other year. That puts a lot of added demands on us.

I am not sure what it will be next year, but there will probably be Gramm-Rudman-Hollings, a summit, or something else. Plus, since the budget and deficit are the No. 1 and No. 2 issues before most of the Members of the Congress, we have a great many requests coming in from them that are budget-related; if it has to do with the budget, they turn to CBO.

Senator REID. I understand. I am also on the Public Works Committee, in addition to my service on Appropriations. During fiscal year 1988, your Program Division completed an analysis of the status and outlook for public works programs. Do you have a knowledge of what those findings were?

REPORT ON PUBLIC WORKS PROGRAMS

Dr. REISCHAUER. Yes; I do. I have a copy of the report, which I will be glad to provide to you. Just briefly, let me explain what the four major conclusions of that report were.

The report looked at the status of the Nation's infrastructure programs, and concluded four things. First, most Federal infrastructure programs have nearly attained their initial construction goals. They were set up largely for construction purposes. We have gone through that phase of American infrastructure history; and those programs are mostly completed.

Second—and this is a consequence of the first development—most of these programs have entered an era of management, maintenance, rehabilitation, and replacement, as opposed to construction. That is a very different thing from what these programs were originally set up to do.

Third, some Federal infrastructure programs currently present neither infrastructure users nor State and local infrastructure managers with incentives to operate efficiently, because they were not really designed for that purpose. They were designed for construction. They do not have the kind of built-in incentives that one might want for efficient operation.

Senator REID. Can you give me an example of that?

Dr. REISCHAUER. You are going to tax my knowledge at this point. I will be glad to provide the information for the record. However, an example would be that a lot of our infrastructure programs are capital oriented—for instance, the building of a subway system as opposed to the efficient operation of the subway system. As a result, the transit authority is left with a bias toward solving problems by using more capital—as opposed to more operating expenditures or more efficient use of manpower resources—because they can get a Federal match for those kinds of activities but not for the other activities.

The final conclusion of our reports is that in recent years, State and local governments have developed bureaucracies that are, in fact, sources of imaginative planning, administration, and operation of these systems. We have developed a resource out there that really is quite talented, and it might behoove the National Government to provide the flexibility and help that those bureaucracies need to solve what are often, essentially, local or regional problems.

SCOREKEEPING MANUAL

Senator REID. You indicate that the scorekeeping manual requested by this committee and others will be published later this year. Do you have an idea in mind when later this year means?

Dr. REISCHAUER. The honest answer to that question is, no, I do not; the manual is in process at this point. We are touching base with the staffs of the Appropriations Committees and the Budget Committees.

One reason why things might not have been progressing as rapidly as one might hope is that scorekeeping issues are all tied up, of course, in the budget summit. There is a codicil that will be attached to the agreement that resolves a number of the scorekeeping issues that have developed between the executive branch and the Congress, and within the Congress.

We have put the project on hold until these issues are resolved, since we will then be told how these various accounts will be scored.

Senator **REID**. So it is my understanding that this report was to be distributed to the Appropriations Committee and the Budget Committee; and it was not for general distribution. Do you understand that to be the case?

Dr. **REISCHAUER**. Jim?

Senator **REID**. Unless you hear differently from Senator Byrd, that would be our request.

Mr. **BLUM**. That it is distributed only to the——

Senator **REID**. Appropriations and budget people?

Dr. **REISCHAUER**. In draft, or when it is completed and agreed to?

Senator **REID**. I would say both.

Mr. **BLUM**. We certainly would accede to the committee's desires on that issue. I would just note, though, that the question of scorekeeping and how it is done has, in our experience, been of general interest.

Senator **REID**. We want to keep it secret, though.

Mr. **BLUM**. I see. I figured that would make it easier.

Senator **REID**. Yes; and unless you hear from Senator Byrd and/or Hatfield to the contrary, that would be the request of the committee? OK?

Dr. **REISCHAUER**. Yes; but let me just add a caveat to this that—namely, that we will have very little control, of course, over its distribution.

Senator **REID**. I understand.

Dr. **REISCHAUER**. I mean, once we give something to the Senate Budget Committee or to your committee; we no longer have total control. So if you see this as a best-seller at Crown Books, don't pick up the phone and call me and ask me what happened. I assure you, I will not be distributing it to Crown Books.

Senator **REID**. That is also a sore subject as to books and royalties and all that. [Laughter.]

Dr. **REISCHAUER**. I made a mistake.

ADDITIONAL COMMITTEE QUESTIONS

Senator **REID**. We will be submitting some questions to you for your response in the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

QUESTION: How do you ensure that the work you are doing is not unnecessarily redundant with work done by OTA, GAO and CRS?

ANSWER: The four support agencies of the Congress--CBO, CRS, GAO, and OTA--have constructed a comprehensive system for ensuring against unnecessary duplication of effort.

Approximately every six weeks, a high-level group from the four agencies meets to exchange information on new projects and discuss coordinating work on ongoing projects. This Interagency Coordination Group has helped redirect many requests for information and analysis to the agency best suited for the job. Once a year, the heads of the four agencies join the group to be brought up to date on all coordination activities.

The group also helps promote discussion among the policy specialists at the four agencies by convening meetings on issues of current interest to the Congress. The specialists in an issue area from each of the four agencies meet to discuss and share current and upcoming work in the area. Often, the meetings provide the first face-to-face contact between analysts who may have spoken to each other many times on the phone. The meetings have promoted cooperation and coordination among the analysts at all the agencies. Since beginning this practice in 1984, the Interagency Coordination Group has helped convene approximately six meetings among specialists per year.

Another source of coordination among Congressional support agencies is the Research Notification System, a compilation of all ongoing and recently completed work by the four agencies that is updated monthly. The booklet is circulated internally at each agency to ensure that recent job requests do not duplicate work already under way in another agency.

In addition, the support agencies have combined their unique expertise more and more in recent years to produce joint reports issued under a single cover.

Finally, there is the contact required of individual analysts. As work begins on a new project, each analyst is required to contact his or her counterpart at the other support agencies to make sure that the new job will not duplicate work under way, or recently completed, at any other agency.

This comprehensive process for ensuring against unnecessary duplication has yielded great dividends in terms of efficiency, cooperation, and coordination of efforts by the support agencies; CBO will therefore continue to look for ways to improve the process.

QUESTION: Please discuss your attrition experience over the last few years. On average, how many people do you lose and how long does it take to fill these positions. (Lapse rate)

ANSWER: Turnover has averaged 16 percent over the last three years. The lapse rate has averaged 2.5 months (exclusive of filling the Director and Deputy Director positions).

QUESTION: The Committee notes that one of your goals for fiscal year 1990 is "to continue efforts to realize savings in administrative costs." Please describe what changes you have made to date and the savings realized. Also, please discuss planned objectives, how you expect to achieve them and anticipated savings you expect from such actions.

ANSWER: Since fiscal year 1985, CBO has achieved significant savings in administrative costs. Fiscal year 1990 administrative costs are projected at $1,567,000, although inflationary increases since fiscal year 1985 would have resulted in a budget of $2,144,000. These savings have been achieved by such actions as moving from leasing to owning office equipment such as copiers and word processors, joining in the House telephone system, switching functions such as word processing from dedicated equipment to microcomputers, managing and reducing storage costs associated with the inventory of CBO reports, and holding down mailing costs, in the face of major price increases, by keeping our mailing list up to date.

Plans for holding these costs steady in the future include working with the Architect on the Hill-wide telecommunications plan, reducing our printing costs by preparing more documents in-house, and reducing courier costs with the use of fax machines.

QUESTION: It appears that a lot of CBO's cost increases from year to year are in the ADP area. Please discuss the types of data purchased each year to update your data bases.

(Provide a listing of vendors, a description of the data and the costs.)

ANSWER: Actual ADP costs have decreased from the fiscal year 1983 level of $4,215,000 to an estimated $3,232,000 for fiscal year 1989. The purchase of data for updating and maintaining existing models averages no more than 20 percent of CBO's systems, data, and model development costs, with the development and modification of models accounting for most of this type of expenditure. The category of *systems, data, and model development* was cut from $278,000 in fiscal year 1988 to an estimated $100,000 in the current fiscal year. The fiscal year 1990 request of $323,000 seeks to restore the funds necessary to update and maintain critical ADP models. The table below lists CBO's major data purchases since fiscal year 1985.

Systems, Data, and Model Development
Major Data Purchases, Fiscal Years 1985-1988

Description	Contractor	Cost
	Fiscal Year 1988	
Statistically matched data bases of SOI, CPS, and CES data for 1985	ICF, Incorporated	12,500
1986 Expanded Annual Survey	American Hospital Association	6,000
Updates to the Defense Resource Model	T. Vassar	6,600
	Fiscal Year 1987	
Statistically matched data bases of SOI, CPS, and CES data for 1977 and 1984	ICF, Incorporated	30,000
Updates to the Defense Resource Model	General Research Corporation	19,000
	Fiscal Year 1986	
Enhancements and updates to the Defense Resource Model	General Research Corporation	41,000
Pension and retirement data from most recent census	Census Bureau	25,000
	Fiscal Year 1985	
Enhancements and updates to the Defense Resource Model	General Research Corporation	40,000

QUESTION: Have you considered any type of a pooling arrangement with other agencies for ADP services and data bases?

ANSWER: CBO currently obtains the majority of its timesharing services from the House Information Systems (HIS) on a reimbursable basis. Similarly, CBO purchases computer time, to process specialized computer models, from the Department of Energy and the National Institutes of Health. CBO recently negotiated a Hill-wide contract with the Control Data Corporation, a commercial timesharing vendor, at rates that are 6 percent lower than standard GSA costs. There have been other instances when CBO has shared the cost of the purchase of specialized software with HIS.

To the extent practicable and possible, CBO uses data from other agencies, generally for a small processing/media fee. However, property and privacy laws frequently prohibit interagency sharing of proprietary or sensitive data.

QUESTION: In your budget document you indicate that 5 positions were transferred in fiscal year 1988 from the Budget Analysis Division (BAD) to the Office of Intergovernmental Relations to provide microcomputer and technical support to all CBO divisions. Please discuss why this change was made and discuss why you are asking for restoration of 5 positions in BAD for fiscal year 1990.

ANSWER: The Systems Development and Research Unit serves a central administrative function common to all CBO divisions and is therefore most appropriately located in the Office of Intergovernmental Relations, the administrative division of CBO. The fact that there are five positions in the unit and five positions in our 1990 funding request is coincidental and unrelated. In fiscal year 1989, CBO requested a level of funding to support its authorized ceiling of 226 positions. The authorized funding level, however, was less than the requested amount; to cut costs, CBO elected to operate at the reduced staff level of 221, leaving five positions vacant. These vacancies were spread across four divisions. The request for fiscal year 1990 includes funding for these five positions to restore CBO to its full operating level of 226 positions.

QUESTION: Please discuss how you develop your economic forecasts. On average, have the CBO economic forecasts been better predictors of economic trends than OMB or private forecasters?

ANSWER: The CBO forecast is developed by the Fiscal Analysis Division in two parts: the short-run forecast, which typically covers the first 18 months to two years of the projections period; and the medium-term projection, which typically extends four years beyond the ending date of the short-term forecast. In constructing the short-term forecast, staff members first provide judgments regarding likely developments in the sectors of the economy about which they have particular expertise. Computer models are also used to generate possible forecasts of developments in individual sectors. Other models are then used to combine these forecasts into a detailed and internally consistent projection for the economy as a whole. CBO's Panel of Economic Advisers then meets to comment on early drafts of the forecast. The forecast is compared carefully with those of outside forecasters, including the consensus forecast reported by the *Blue Chip Economic Indicators*.

In developing the medium-term projection, most recently for the years 1991-1994, the Fiscal Analysis Division staff relies on somewhat simpler procedures. Computer-based statistical estimation techniques are used to identify historical trends or levels for such basic variables as labor-force growth, productivity growth, and the real (inflation-adjusted) interest rate. Projections are made for these basic variables on the basis of historical trends, and then other economic variables are related to these basic variables using computer models that ensure internal consistency for the forecast. The results are compared with those available from the relatively few outside forecasters who make projections more than a few years into the future.

Recent analyses by OMB and CBO agree that the CBO forecast is as accurate as those by outside forecasters and by the Administration, and that its tendency consistently either to overestimate or to underestimate the levels of particular economic variables is approximately the same. The forecasting record is analyzed by OMB in *The Budget of the United States Government: Fiscal Year 1990*; and by CBO in *The Economic and Budget Outlook: Fiscal Years 1989-1993* (February 1988).

QUESTION: Please provide details on your semester intern program. How many students are participating in this program during fiscal year 1989? How many in fiscal year 1990?

ANSWER: CBO's semester intern program is designed to provide a learning experience for outstanding students majoring in economics and related fields. It also provides the CBO professional staff some research assistance in areas of heavy activity. Rigorous selection criteria and careful monitoring of assignments ensure that the interns achieve maximum productivity for CBO and obtain significant professional benefit. Ten eight-month internships are offered each year. During fiscal year 1989, five interns have participated in the semester intern program. CBO expects that in fiscal year 1990 funding will permit a return to the full allotment of 10 semester interns.

SUBCOMMITTEE RECESS

Senator REID. That terminates this hearing. I appreciate very much your testimony.

Dr. REISCHAUER. Thank you very much.

[Whereupon, at 11:50 a.m., Thursday, April 13, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1990

FRIDAY, MAY 5, 1989

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:05 a.m., in room SD–116, Dirksen Senate Office Building, Hon. Harry Reid (chairman) presiding.

Present: Senators Reid, Adams, Nickles, and Hatfield.

LIBRARY OF CONGRESS

STATEMENT OF JAMES H. BILLINGTON, THE LIBRARIAN OF CONGRESS

ACCOMPANIED BY:

- DONALD C. CURRAN, THE ASSOCIATE LIBRARIAN OF CONGRESS
- HENRIETTE D. AVRAM, ASSISTANT LIBRARIAN FOR PROCESSING SERVICES
- RHODA W. CANTER, ASSOCIATE LIBRARIAN FOR MANAGEMENT
- JOSEPH E. ROSS, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE
- CARL FLEISCHHAUER, SPECIAL MEDIA PROJECTS COORDINATOR
- JOHN O. HEMPERLEY, BUDGET OFFICER
- RUTH ANN STEWART, ASSISTANT LIBRARIAN FOR NATIONAL PROGRAMS
- RALPH OMAN, REGISTER OF COPYRIGHTS
- HERBERT S. BECKER, DIRECTOR, AUTOMATED SYSTEMS OFFICE
- PETER G. SPARKS, DIRECTOR FOR PRESERVATION
- ALAN JABBOUR, DIRECTOR, AMERICAN FOLKLIFE CENTER
- FRANK KURT CYLKE, DIRECTOR, NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED
- DECLAN C. MURPHY, SPECIAL PROJECTS OFFICER
- RONALD A. MORSE, DEVELOPMENT OFFICER
- BEN BENITEZ, DIRECTOR OF PERSONNEL AND LABOR RELATIONS
- ELLEN HAHN, CHAIR, MANAGEMENT AND PLANNING COMMITTEE
- ERIC SCHWARTZ, POLICY PLANNING ADVISOR, COPYRIGHT OFFICE
- JOHN W. RENSBARGER, INSPECTOR GENERAL

OPENING REMARKS

Senator REID. The subcommittee will come to order.

This morning the Subcommittee on the Legislative Branch continues its hearings on the budget estimates of the support agencies under its jurisdiction.

Specifically, we will consider the request of $292.6 million for the Library of Congress, $674,000 for the Copyright Royalty Tribunal, and $110.4 million for the Government Printing Office.

We are pleased today to welcome the Librarian, Dr. James H. Billington.

We will begin with you, Dr. Billington. I know that you regard the Library as a national treasure, as do I. Though its riches have not been recognized and certainly not exploited, the Library of Congress is, I believe, unrivaled as a resource for the cultural, scientific and intellectual life of this country, and in some respects, to the entire world.

Most of its collections can be found nowhere else. It is really a gem without price.

In my previous service on this committee I spent time Chairing the Interior and Related Agencies Subcommittee for Senator Byrd, and there we looked at the National Endowment of the Arts, the National Gallery, and other institutions with a more explicitly cultural character. I think sometimes they receive—not sometimes—they always receive more attention than does this treasure we have in the Library of Congress.

So with that, I recognize that yours is a heavy responsibility, and I will do my best to be helpful. We owe it to all Americans to undertake the investments that will be necessary to assure the Library's continued preeminence.

Curiously, I do not believe the Library's value and potential are fully appreciated here in Washington, let alone across the country. So I look forward in working in the years to come to find a way to remedy that.

PREPARED STATEMENTS

The committee has your prepared remarks, which will be made part of the record. I understand that Mr. Ross of CRS and Mr. Oman of the Copyrights Office have statements and they will also be inserted in the record.

[The statements follow:]

STATEMENT OF JAMES H. BILLINGTON

I am pleased to present to the Senate Subcommittee not only the Budget of the Library of Congress for fiscal year 1990, but also a report on a broad process of transformation currently under way that is designed to realize more fully the enormous potential of this unique institution for serving the Congress and enhancing our nation's literacy, competitiveness, and democratic vitality.

On January 6, 1988, I initiated a major review of the mission functions and services of the Library. My goal was--and is--to assure the best possible service to Congress and the nation. I also wanted to prepare the Library for its Bicentenary in the year 2000 and see how to get there. I am submitting for the record a summary of the findings and recommendations of our review. We are now in the process of effecting an orderly transition to an altogether new mode of management that is scheduled to be essentially completed by the end of the current fiscal year.

The heart of the review process was the Management and Planning (MAP) Committee: a diverse, representative group of 27 LC staff, not including senior management, that I appointed. I asked them to consider ways of (1) increasing administrative efficiency and economy, (2) improving the selecting, cataloging, preserving, and maintaining of the Library's collections, (3) improving the Library's service to Congress and other government agencies, (4) increasing and deepening scholarly usage of the Library, and (5) broadening and rationalizing the Library's service to libraries and other national constituencies. I also appointed a National Advisory Committee, which included 29 distinguished members, including scholars, librarians, publishers, educators, businessmen, and two former Members of Congress--Senator Charles Mathias and Congressman John Brademas. The National Advisory Committee met five times. It gave us valuable suggestions, and served as a sounding board for the preliminary recommendations of our MAP Committee.

Moreover, to reach the library community at large, I held 11 regional forums all around the country reaching approximately 10,000 librarians and library supporters.

The Congress which is our primary constituency has provided us with direct support and counsel, beginning with the advice I sought from the Joint Committee on the Library before establishing our MAP Committee. I invited Congressional staff from library-related committees to have breakfast with our MAP Committee leaders so that we could share information and ideas about improved service to our most important clients. The MAP Committee was aided in its review by an outside analysis by the management consulting firm of Arthur Young and Company. Arthur Young was directed to assess strengths, weaknesses, and opportunities, and to assist in developing plans for new strategies.

I also initiated a complete multi-year retrospective financial audit through the General Accounting Office and established a new position of Inspector General within the Library.

This process has yielded many ideas about ways in which we can better serve Congress, as well as the American library and scholarly communities, all of whom need a strong information base to give America a sharper competitive edge in government, business, and world affairs.

The review process was essentially completed when I shared my conclusions with senior management at the second of two retreats on December 1-2.

Conclusions and Implementation

Our review resulted in one overriding conclusion--that a radically different concept of operation and management philosophy is necessary for the Library to carry out its mission successfully in the changing environment of the 1990's. The recommendations we are now implementing address the new concept and philosophy. Without disrupting our essential services, we are moving as indicated in Chart 1 to a new structure, driven by mission, defined by values, oriented toward users, and deriving its priorities and budget from a long-term strategic action plan that will be both developed and implemented by a new library-wide management team.

The key values are service, characterized by quality, effectiveness, and innovation, provided in a way that maximizes participation, development and fairness in the Library's staff. It is precisely the skills, dedication, and experience of our 5,000-person staff that make it possible to move from being a hierarchical, heavily-regulated bureaucracy to a participative, flexible system. The new structure that we will have in place by the end of the current fiscal year features seven mission-driven service units--each defined by what it serves. Our four-part mission links directly to the new organization: (1) Collections Services will assemble, catalog, and preserve a universal collection of human knowledge, information and expression; (2) Congressional Services will make our material and human resources continually available and useful to the Congress of the United States; (3) Constituent Services will make these resources accessible and useful to the American people and their libraries, and (4) Cultural Services and Copyright Services will facilitate and celebrate free intellectual creativity by all people on all subjects. Management and Special Projects Services are enabling units that support mission performance throughout the Library. Chart 2 is a graphic representation of the Library's new concept.

The philosophy supporting the new concept of operation emphasizes central leadership with maximum distribution of responsibility, authority, and accountability. We are seeking greater job satisfaction for our people through varieties of opportunity rather than hierarchical job progression. We will use teams to permit flexible allocation of scarce resources to projects or activities of critical importance to our mission without committing the Library to permanent new structures. We will eliminate layers of supervision and review that do not add value.

Over 500 staff members are actively participating in the transition process. There are six transition teams developing sets of goals, objectives, strategies, and action plans for Congressional Services, Copyright Services, Collection Services, Constituent Services, Management Services, and Cultural Services. All work products are finally brought back to the Library Management Transition Team which I chair.

Time does not allow for a full description of all of these activities, but I would like to describe one--Collection Services--in more detail. The collections are, of course, why we have a Library of Congress. They are the largest and most comprehensive collections in the world--and an incomparable national asset.

The mission of the Collections Services unit is to develop qualitatively the Library universal collections--and to acquire, organize, provide access to, secure, maintain, and preserve them effectively.

The functional areas now being carefully examined are: (1) collection development and acquisition, (2) cataloging, (3) managing and lending, and (4) preservation.

The transition team has developed the Collection Services strategic plan. It has proposed a macro organizational plan. Altogether they have proposed approximately 400 action proposals for consideration by the Library Management Transition Team.

Some proposed actions include:

(1) finding new ways to involve knowledgeable staff from all parts of the Library in decisions about which items to select for the collections;

(2) developing automated systems to give better control over the acquisitions process, particularly for serials;

(3) improving access to the contents of the collections by adding tables of contents to catalog records for selected works;

(4) completing the Linked Systems Project (LSP), which will enable other research libraries easily to transfer their catalog records to the Library of Congress;

(5) reducing our unprocessed arrearages;

(6) providing better security for the collections through the installation of electronic sensing devices; and

(7) centralizing planning and management of all Library preservation activities.

Each of the six transition teams is similarly engaged. I estimate that from their cumulative efforts we will be looking at several thousand possible actions for improving the quality of the services provided by the Library of Congress, possible actions that have been carefully considered by hundreds of team members acting together in this enterprise.

The Needs for Fiscal Year 1990.

We believe that we are now instituting procedures and an organizational structure that will guarantee a more productive, economical and responsive future for the Congress' library. Necessary to all such progress, however, must be a halt to an alarming erosion during the last few years in the basic areas of personnel and collections.

Our extensive review process has enabled us to identify the extent of this accumulating problem.

Our current budget request of $292.6 million includes $289.3 million, an increase of $31.8 million, or 12.3%, in funding for Library of Congress activities. (There is also a listing of $3.3 million for the Civic Achievement Award Program, which we are required to include in our budget submission but which was not presented to us for our normal review.)

The requested level of funding for Library activities will stop the serious erosion of the Library of Congress. It will enable us to build rationally for the future rather than merely go on improvising in an effort to sustain essentials. The key element in the Library's budget request is the need to remedy the central, crippling fact that one of every ten of the Library's authorized positions is currently vacant for lack of funding. This critical gap in personnel has resulted from pay raise absorptions in both 1988 and 1989 and from other across-the-board cuts in salary allotments beginning with the Gramm-Rudman-Hollings cuts in FY 1986. For 1990 the Library requests $14.3 million in its various salary accounts as well as a $3 million increase for inflation in order to provide funding levels for enough personnel to sustain basic Library programs.

These reductions in personnel have contributed to a massive and accumulating backlog in materials acquisition and book processing, which can also no longer be deferred without permanent damage to the Library's collections. These backlogs have produced increasing strains in information storage and user access to the Library's collections --particularly in services to the Congress. Accordingly, this budget requests an increase of $14.5 million to provide adequate funding for:

- strengthening the Congressional Research Service's technical resources to keep pace with the service demands of the Congress. During the last three years, CRS's workload has increased 7 percent while staffing has decreased by 2 percent. CRS needs increased financing for personnel vacancies and for affirmative action recruiting. It also needs funds for more automated data bases and for expert professional services needed to assist Members in highly specialized areas.

- purchasing foreign books and materials with undervalued U.S. dollars;
- obtaining books and materials from Latin America and West Africa through new collection facilities;
- preserving in new formats and sharing on a pilot basis with Americans across the country key elements of our unique collections through the "American Memory" project;
- beginning to apply and market new technologies, especially optical disk, in order to store, index, retrieve, duplicate, and distribute electronically large quantities of information;
- maintaining and expanding the preservation of the Library's collections through mass book deacidification and the preservation of disintegrating photographs and films;
- expanding systems automation and work station access to information, and
- adding space to store 3 million more volumes. The Library's present shelf capacity for books in the classified book collections (a fixed amount of space for about 12 million books) is almost full. The proposed additional space will cover our needs until the year 2000, and permit the development of a master space plan for our third century.

The Library of Congress is the greatest single resource in the world for the information age we are now entering. The added investment in this unparalleled creation of the Congress will assure the continuation of proven services. It will make new ones possible that could not even be imagined elsewhere. We respectfully request this budget to redress accumulated problems. Approval of this level of support by the Congress will lay the foundation for an altogether new budget next year: one which will suggest new possibilities for service to the Congress and the nation without adding heavily to the appropriation level sought this year.

I would like to show you several charts which depict some of the issues we are addressing in our budget report. The first chart shows that one of every ten of the Library's authorized positions is currently vacant for lack of funding. There have been six pay raises since 1980 that have been only partially funded, or not funded at all. The cumulative effect of pay raise absorptions and other salary lapses is that 496 positions are vacant for lack of funding.

Chart 3 o The first chart illustrates this point.

Chart 4 o The second chart shows the alarming extent of our unprocessed backlogs -- particularly in our unique "special collections," which are an increasingly important part of our national record.

Chart 5 o The Library of Congress "saves" the nation's libraries, in cataloging costs not incurred, a total annual amount considerably greater than the Library's entire operating budget. We estimate that those savings to the nation will approximate $367 million in FY 1990.

This chart illustrates this one value--among many others--that the Library of Congress performs for users throughout the nation. The value to the Congress--and to the broader reading, listening, viewing and scholarly communities that we reach out to every day--is not included in such a figure and could hardly even be estimated.

On the recommendation of the Register of Copyrights, I have written to Senator DeConcini and Representative Kastenmeier, chairmen of the respective copyright subcommittees in the Senate and the House of Representatives, asking them to introduce a bill to double copyright fees from $10 to $20. This increase would simply allow for the inflation that we have experienced since the last fee increase in 1978. If Congress enacts such a fee increase, the Copyright Office's income would be augmented by more than $7 million annually, and that new income would offset the Congressional appropriation from the general Treasury in the support of the Copyright Office.

In subsequent years, some of those savings could be authorized for other Copyright Office programs and thereby improve service to the authors who use the system. A prime example of such improvement is the Copyright card catalog. This card catalog occupies 6,000 square feet of valuable space on the fourth floor of the Madison Building. It consists of approximately 45 million cards containing the public record of all copyright registrations from 1878 to 1978. We would like to abolish this catalog by converting it to a machine-readable format. This project would cost about a million and a half dollars. We propose making this a joint project with half the cost paid from increased fee revenues and half from a private contractor.

A more immediate administrative concern involves the Library personnel and payroll system. In 1990, personnel/payroll processing for Library of Congress employees will be handled by the National Finance Center (NFC) in New Orleans. A biweekly period begins on a Monday at the Library of Congress whereas a biweekly period begins on a Sunday at the NFC. Beginning eligibility dates for pay and leave purposes for Library of Congress employees is the beginning of the period Monday. With the move to the NFC, eligibility periods will be completed on a Saturday. Instances will occur whereby employees will experience delays for pay and leave purposes because the eligibility period will be lacking one day. Therefore, legislative action will be required to avoid delays which would adversely affect pay and leave of eligible employees.

I would like to conclude my opening remarks first by illustrating the one major new development for which we are asking pilot money in this year's budget: "American Memory."

The purpose of the American Memory project is to share the collections of the Congress' library throughout America in the form of optical disks and other new technologies. The Library's holdings are the American Memory. With a small initial appropriation from this committee, we hope to engage added private and local support for an effort to provide an "American Memory" corner to libraries in every state of the Union. In this way, this Library will supplement our ambitious program of exhibits and symposia for this Bicentennial year of the Congress of the United States and for our Year of the Young Reader with some vitamin enrichment for many of the 115,000 libraries throughout America (particularly in our schools). The purpose of this demonstration is to give you a brief introduction to the potential of the concept which will be developed in greater detail during this year.

LC TRANSITION TO THE NEW CONCEPT OF OPERATIONS FOR THE 1990's

LIBRARY OF CONGRESS MISSION

To be a catalyst and participant in the intellectual process that transforms information into knowledge and knowledge into wisdom and to strengthen and advance the intellectual and cultural life of America by:
(1) Assembling and preserving a universal collection of human knowledge, information and expression;
(2) Making its resources continually available and useful to the Congress of the United States;
(3) Making its resources maximally accessible and of service to the American people and their libraries, and
(4) Facilitating and celebrating free intellectual creativity by all people on all subjects

LIBRARY OF CONGRESS VALUES

1. SERVICE
2. QUALITY
3. EFFECTIVENESS
4. INNOVATION
5. PARTICIPATION
6. FAIRNESS
7. STAFF DEVELOPMENT AND RECOGNITION

NEW ORGANIZATION AND ACTION

1. COLLECTIONS SERVICES
2. CONGRESSIONAL SERVICES
3. CONSTITUENT SERVICES
4. CULTURAL SERVICES
5. COPYRIGHT SERVICES
6. MANAGEMENT SERVICES
7. SPECIAL PROJECT SERVICES

CHART 1

LIBRARY OF CONGRESS MACRO-ORGANIZATION CONCEPT OF OPERATIONS

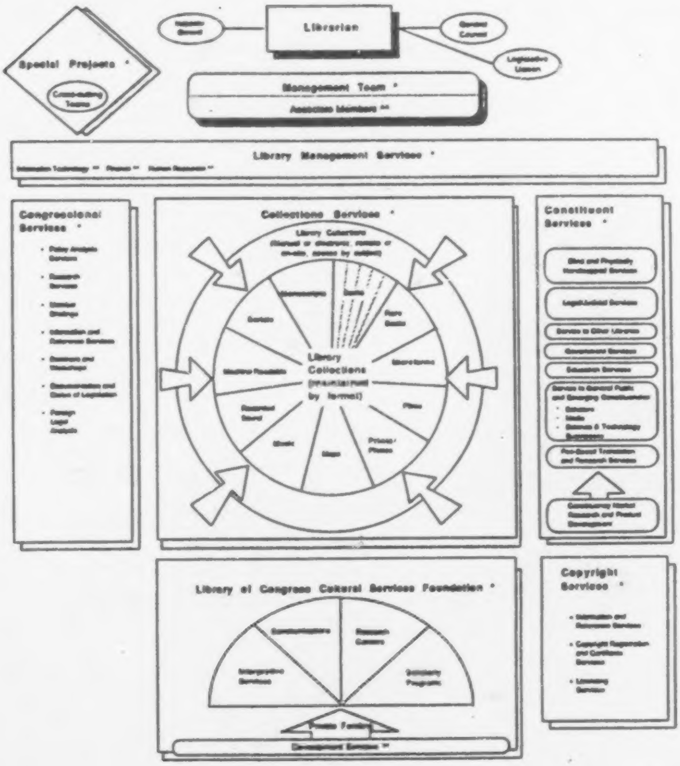
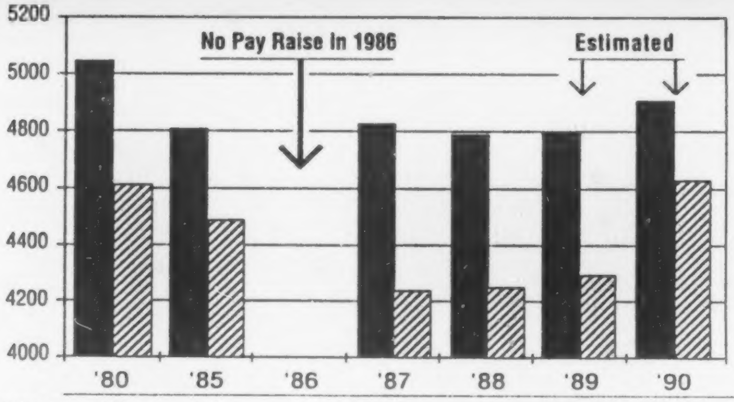

Librarian
Special Projects *
Management Team *
Library Management Services *
Congressional Services *
Collections Services *
Library Collections (maintained by format)
Constituent Services *
Library of Congress Cultural Services Foundation *
Copyright Services *

CHART 2

Library of Congress
Effect of pay raise absorption & normal lapse on authorized positions funded by appropriations

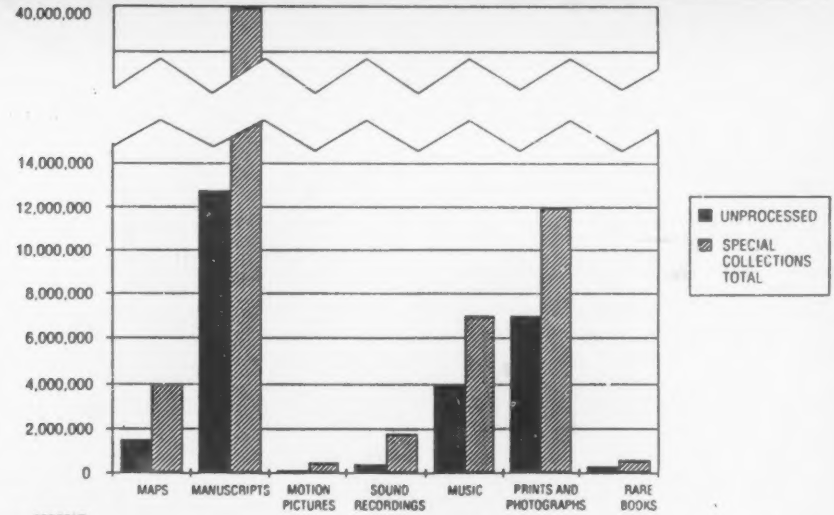


	'80	'85	'86	'87	'88	'89	'90
Positions Held Vacant	436	419		576	540	496	273
Percent of Positions Held Vacant	9%	9%		12%	11%	10%	6%

■ Number of positions authorized
▨ Number of positions actually filled after pay raise absorption & normal lapse

CHART 3

Library of Congress
Special Collections
Breakdown of Unprocessed Items in Special Collections



	MAPS	MANUSCRIPTS	MOTION PICTURES	SOUND RECORDINGS	MUSIC	PRINTS AND PHOTOGRAPHS	RARE BOOKS
PERCENT UNPROCESSED	37%	32%	22%	24%	57%	58%	50%

CHART 4

Library of Congress
Estimated Dollar Savings to the Nation's Libraries
as a result of Library of Congress Cataloging

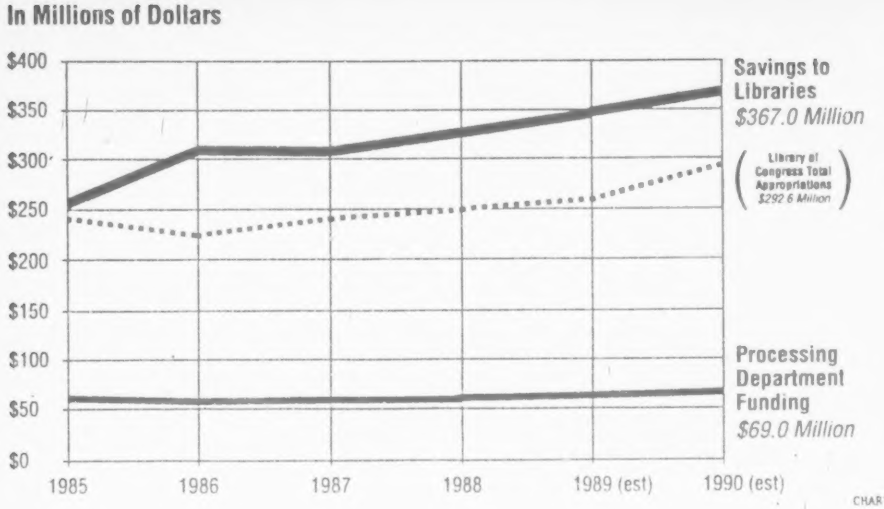


CHART 5

STATEMENT OF JOSEPH E. ROSS

I am pleased to appear before you on behalf of the Congressional Research Service to testify in support of our fiscal 1990 budget request.

We have successfully concluded the busiest year in the history of CRS. In addition to providing increased analytical support to committees and Members, we handled a record 487,800 requests--a ten percent increase over 1987. And I should add that the statistics for the first half of this year show a continuing climb--another three percent over 1988. Given this pattern of increased reliance on CRS, coupled with the need for analysis of the complex issues before the 101st Congress, I am confident that the increase will continue.

Last year I reported to you on a number of initiatives designed to assess and improve CRS' capability to serve the Congress. Our efforts in many of these areas continued throughout the year, and our budget request is based on these ongoing initiatives. I would like to highlight a few of them today.

First, we have continued a strong commitment to our affirmative action recruitment programs which are designed to recruit the nation's best graduate students -- particularly minority students -- for first-hand experience in public policy research. These programs give CRS an effective way to expand the pool of qualified candidates from which to choose when we fill permanent positions. Last summer, 32 graduate students completed the summer program, and ten of them have been placed in permanent or indefinite positions. Eighteen returned to their graduate programs, and we hope that many of them will be interested in returning next year. This summer, we have commitments from 25 program participants, 20 of them minorities. In fiscal 1990 we are requesting modest funding for the initial recruitment program, so that we can put this program on solid and predictable funding. In addition, we are asking for funding to enable us to fill some existing vacancies, many of which would be filled from these very successful affirmative action recruitment efforts.

Second, we are continuing our efforts to improve the effectiveness of CRS products and services. This year we will implement two significant enhancements to the automated public policy literature file CRS produces for the Congress. The first improvement is creation of a separate CRS Products data base, which will include a one-page summary of each CRS Report, thus providing much more information about each product than was previously available. The second innovation is an ORDER command, which will permit congressional users to order CRS reports or public policy articles directly from their computer terminals--no telephone call will be necessary to place a request. By harnessing the ordering process directly to online searching, we minimize congressional time and effort to request needed reports and articles, and also make CRS handling of these requests more efficient by reducing the amount of individual handling. As a result, our fiscal 1990 increases requested for this activity are limited to the direct costs of providing these reports to Members, and no additional resources will be needed to handle the communication, or inquiry receipt, process.

Third, we are continuing to improve research coordination and planning through the strategic planning process I initiated and discussed last year. We have continued to use the major issue planning system to ensure that CRS produces comprehensive and interdisciplinary products on the major congressional issues. We are continuing to develop a plan to obtain congressional feedback on CRS services, and are undertaking a number of studies to help us plan for the future. One effort, entitled Congress in the Year 2000, is now underway.

In addition to looking at the Congress of the future, we had a significant role in the Library's celebration of the Bicentennial of the Congress. We sponsored, along with the Commission on the Bicentenary of the House of Representatives and the Senate Commission on the Bicentennial, a conference entitled Understanding Congress. In addition, Respectfully Quoted: A Dictionary of Quotations Requested From the Congressional Research Service has been issued as part of the celebration. This volume contains some 2,100 quotations which have been accumulated over the past 75 years to meet the needs of the Congress. In addition, CRS has been a major contributor to a number of other Library programs, including the symposium on Knowledge, Power and the Congress sponsored by the Library's Council of Scholars which was held in March.

The fiscal 1990 CRS budget increase requested has three primary components: (1) funding for the affirmative action recruitment program which is assisting us to attract highly qualified graduate students to permanent positions; (2) funding to fill vacancies which can be used to convert these graduate students to permanent positions, and funding for a modest number of new positions needed to handle our increasing workload; and (3) funding in three nonpersonal areas--duplication of CRS products, data base access, and professional and consultant services--which are essential to efficient and effective management of our growing workload.

The urgent need for additional funding for staff and nonpersonals is already being felt. As a result of absorbing the January pay raise, and because of the increased cost of benefits for those employees covered by FERS, we have had to take a number of actions to avoid a deficit this year. For example, we have deferred filling most vacancies until next year, we have had to reduce significantly our use of data bases with five months left in the fiscal year, and we have no uncommitted contract funds available for the remainder of the year. While necessary, these measures reduce our flexibility to respond to those congressional needs which could be best met by a data base search or a contract. In addition, the inability to fill positions which are now or will become vacant, particularly when our workload is growing, will result in increasing backlogs and lengthened response time.

I am very grateful for the support this committee has provided to CRS in the past, and want to assure you that we are committed to making our services as efficient and effective as possible.

STATEMENT OF RALPH OMAN

I want to reemphasize that the Copyright Office has reached a critical turning point. This year, for the first time in a decade, despite individual productivity increases, we have not been able to process as many copyright registrations as we have received. By next year the public will send us almost 700,000 claims. If this trend continues, as I expect it will, we will have to deal with over a million claims every year by the year 2000.

Since Congress changed the Copyright law back in 1978, the staff and management at the Copyright Office have vigorously sought new ways to increase productivity: we have continually reviewed and revised our procedures; we have introduced automation at every level (we now have over 450 automated workstations of one kind or another for 500 employees); and, last, we have through consultative management encouraged our creative and dedicated staff to help discover new ways to streamline workflow. After a decade of increased productivity and staff reductions, we have reached the point where our only option is to add staff to handle the additional work; and I am therefore requesting funds to fill 12 essential vacant positions in fiscal 1990. At the same time, I want to reassure you that we will continue searching for new ways to increase individual productivity, and streamline operations.

Two of these new positions will be librarians for Dr. Billington's aggressive new acquisitions program. These librarians will use the mandatory deposit provision of the Copyright law to demand published works for the Library's collections. By using this provision of the law, we will reduce the overall acquisition costs of the Library. Our figures show that each additional Librarian generates $200,000 worth of high value materials. The other 10 positions will be used to help process the additional registrations.

On January 18, 1989, the Librarian wrote to Representative Robert Kastenmeier, Chairman of the Subcommittee on Courts, Intellectual Property and the Administration of Justice, Committee on the Judiciary, requesting that section 708 of the copyright law be amended to double the current fee schedule. In addition, this proposal would allow the Register of Copyrights to adjust the fee schedule every five years to account for inflation.

Since the current fee schedule took effect in 1978, inflation has cut the real price of the fees by more than 50 percent. In 1988, the Copyright Office, excluding the Licensing Division, which is accounted for separately, spent slightly over 18 million dollars. The Copyright Office earned from fees slightly over seven million dollars. The shortfall between expenses and earned fees is made up by the U.S. Treasury. A doubling of the fee schedule would allow the Copyright Office to earn an additional seven million dollars.

Historically, earned fees for copyright services have never covered the entire operating budget of the Copyright Office, and there is no reason that they should. The Copyright Office performs some services that are not directly related to maintenance of the public record. Prominent among these responsibilities are the public information services undertaken by the Copyright Office, and copyright studies conducted by the Register's Office in response to Congressional requests. These activities should properly be supported from general tax revenues.

Enactment of this proposal would return the Copyright Office to its historic ratio of earned fees versus Office expenses. It would mean that the Copyright Office would earn approximately fourteen million dollars in fees to set off the approximately nineteen million it takes to run the Office. Factoring in the works that are added to the Library's collections through the copyright process valued at almost 10 million dollars, the operations of the Copyright Office would be more than self-sufficient.

Since the last revision in fees, the Copyright Office has worked hard to keep costs in check. Unlike some federal agencies, the Copyright Office has no discretion in processing copyright claims. The Office cannot simply decide to do less work; an increased number of applications are submitted as more creative works are produced. Since fiscal year 1979, the Copyright Office workload has increased 47 percent from 426,000 claims to 628,000 in fiscal year 1988. During the same period, the staffing level has decreased 22 percent - from 641 to 500. Because personnel costs account for 90 percent of the Copyright Office budget, the Office simply has no more room to maneuver.

If this proposal were enacted, it would raise the basic registration fee to $20 from the present $10. The vast majority of the fees earned come from this basic registration fee. At twenty dollars, the registration fee is still a great bargain. In order to register a claim to copyright, examination by a professional examining staff is required to see that all the requirements of the law have been met. During the examination process, correspondence is often necessary due to the complexity of the law and the frequent use of Copyright Office services by unpracticed remitters. After registration, the claim is cataloged by a professional cataloging staff. The Copyright Office knows of no comparable government service, requiring similar professional expertise, that is offered for less than twenty dollars.

It is hoped that the increased revenue will be taken into account in considering our budget request. As the Librarian has stated, we would like to proceed with converting the 45-million card file representing all registrations from 1870 to 1978 to machine-readable form--probably using optical technology. This will free up more than 6,000 square feet of valuable space in the Madison Building, and will allow us to make copies of the catalog for use elsewhere in the Library as well for sale to the public. We also want to provide staff to improve and expand the copyright legal reference collection to make it usable by Congressional staff as well as copyright attorneys in the Office and in the copyright community. With the workload growing beyond our capacity to cope with it, we request that some of the additional money be made available to bolster our staff level to restore full service to the public that has been eroded in recent years as well as to deal with the anticipated continually increasing workload.

The Copyright Office also seeks the Subcommittee's support for giving the Register the authority to adjust the fees for inflation at five year intervals. Over time, the appropriateness of the fee schedule will always be eroded as inflation drives up the costs of delivering the services while revenues for the services are frozen by law. While historically Congress has been willing periodically to adjust the fees, there has always been a considerable time lag before this adjustment is made. In today's environment, only by achieving highly automated office operations can costs in the long run be held down. Considerable time lag between fee adjustments threatens investment in new equipment and personnel which will be necessary to maintain efficiency in the future. Enactment of the fee-adjustment authority will assist the Office in long-range planning since we can limit the period during which costs outstrip revenues.

In summary, the Copyright Office believes it can no longer confidently strive for greater office efficiency while it must spend money at today's cost, and receive payment at a value fixed in another era. Raising the basic registration fee to twenty dollars would still represent a fantastic bargain given the professional services which are necessary to generate an accurate public record in a complex area of the law. The Copyright Office only seeks to restore revenues to the value that the 94th Congress determined they had when it enacted the 1976 Copyright Act. In light of the Copyright Office's success in completing more work with fewer people through the last decade, the Office respectfully solicits the Subcommittee's support for its proposal.

As you are well aware of the Berne treaty took effect on March 1, 1989. Adherence to the treaty will require the Copyright Office to conduct an information program for authors, artists, composers, computer programmers, and publishers, telling them how this change in the copyright universe will affect them. At the time Congress first considered the implementing legislation, we told the Congressional Budget Office that we needed more money in order to disseminate information about Berne to the public. We would have to prepare and mail information pamphlets, and hire additional information officers. But, we have reviewed our earlier estimates for the cost of this activity, and we have decided that it will not be necessary to reprint all information circulars. Instead, we will print informational inserts, so we can reduce our original estimate to a total of approximately $50,000. We can absorb this added cost over a couple of years. And because of the great enthusiasm and expertise of our information specialists, and the efficiency of our new automated telephone system, we have decided that we will not have to hire additional information officers.

In preparation for Berne, we are briefing Congressional Staff, redrafting regulations, training copyright office staff, working with the Executive Branch, conducting seminars and giving speeches all over the country.

All in all, I am very proud of our accomplishments; we continue to fight the battle of increased workloads, reduced staff, and a frozen budget. We have struggled to maintain our excellent level of service to the public, and with the help of our staff we have generally succeeded.

INTRODUCTION OF ASSOCIATES

Senator **Reid**. If you will, please introduce those you have with you and give us an outline of your testimony.

Dr. **Billington**. Thank you, Mr. Chairman, and thank you for those appreciative remarks about this remarkable institution.

I have a number of associates with me today, but the ones here at the table are most likely to be involved, I think, in the direct questions you might have. They are: to my right, Donald Curran, the Associate Librarian of Congress; and to his right, Joseph Ross, Director of Congressional Research Service; to his right, Henriette Avram, Assistant Librarian for Processing Services; and then Rhoda Canter, the Associate Librarian for Management; and on my left here is John O. Hemperley, Budget Officer; and we will be hearing at the end of my testimony from Carl Fleischhauer, the Special Media Projects Coordinator, who will explain our American memory project.

I have a number of other distinguished colleagues here, but I think it would be better to put the names in the record and introduce them as relative questions come along.

I am happy, sir, to present to the subcommittee not only the budget of the Library for fiscal year 1990, but also report on the process of transformation that is underway at the Library of Congress designed to realize more fully the enormous potential of this unique institution, as you have characterized it, for not only serving the Congress, but enhancing our Nation's literacy, competitiveness, and democratic vitality.

On January 6, 1988, we initiated a major year long review of the mission, functions, and services of the Library designed to assure the best possible services as we prepare the Library for its bicentenary in the year 2000 and for its third century.

MANAGEMENT AND PLANNING COMMITTEE

I am submitting for the record a summary of the findings and recommendations of that review. The heart of the process was our management and planning committee, a diverse group of 27 members of our middle management staff, deliberately excluding senior management.

I asked them to consider ways of improving administrative efficiencies, selecting and maintaining the collections, serving the Congress and other Government agencies, increasing and deepening the scholarly usage, and broadening and rationalizing the Library's service to libraries and other special constituencies across the Nation.

We also had a national advisory committee which gave us valuable suggestions and served as a sounding board for the management and planning committee.

I personally conducted 11 regional forums all around the country reaching approximately 10,000 libraries and library supporters. We had a large number of internal Library of Congress forums and received 1,000 written suggestions from the Library staff.

So it was a pretty intensive review process and the Congress, of course which is our primary constituency, provided us with support beginning with the advice of the Joint Committee on the Library prior to the establishment of this process.

We also had congressional staff from Library-related committees for breakfast and other meetings with our management and planning committee leaders so we could share information and ideas about the review and our service to Congress.

Moreover, we conducted an outside management analysis of the entire organizational structure on contract with the consulting firm of Arthur Young & Co. Finally, we initiated a multiyear retrospective financial audit through the General Accounting Office and established a new position of inspector general within the Library.

This process, Mr. Chairman, has yielded many ideas, 106 specific suggestions about ways in which we can better serve Congress, the American library, and scholarly communities, and the general public. These constituencies need a strong information base to give America a sharper competitive edge in Government, business, and world affairs.

This review was completed ahead of schedule and under budget—which incidentally, was primarily funded by special private grants—and it resulted in one overriding inescapable conclusion, that a radically different concept of operation and management philosophy is necessary for the Library to carry out its mission, let alone maximize its potential in the changing environment of the 1990's.

Without disrupting our essential services, we are now in the process of effecting an orderly transition to an altogether new mode of management that will be essentially completed at the end of the current fiscal year, that is to say the end of September.

We are moving, as indicated on this first chart, to a new structure that is driven by a mission which is in turn defined by values that were generated internally by the staff, oriented toward users and deriving its priorities and budget from a librarywide, long-term strategic action plan that is being developed by our internal transition team and will be implemented by a new librarywide management team.

MISSION AND VALUES

The key values, as you see them there, are service above all, characterized by quality, effectiveness, and innovation, and provided in a way that maximizes participation, development, and fairness in the Library's staff.

It is precisely the skills and experience of our staff that makes it possible to move from being a hierarchical, heavily regulated bureaucracy to becoming a participative, flexible system.

The new structure that we will have in place by the end of this fiscal year features seven mission driven service units, each defined by what it serves, not by the turf it occupies.

Our four part mission links directly to the new organization. Collection services will resemble what you see in the center—cataloging and preserving a universal collection of human knowledge, information, and expression.

Congressional services will make our material and human resources continually available and useful to the Congress. Constituents services will make these resources accessible and useful to the American people in their libraries.

Cultural services will facilitate and celebrate free intellectual creativity by all people on all subjects, as does in a more special way, copyright services.

Those are five of the units. Management and special project services are enabling units; that is they support mission performance throughout the Library.

This is a graphic representation of this new concept. It emphasizes central leadership and long-term planning with a management team, but maximum distribution of responsibility, authority, and accountability always focused on the service we are providing the Congress and the American people.

It is designed at the same time to provide greater job satisfaction for our people through varieties of opportunity, rather than hierarchical job progression.

We will use teams to permit flexible allocation of scarce resources to carry out activities of critical importance to our mission without committing the Library to permanent new structures.

There will be sort of an automatic sunset provision in these special projects, if you like, and we will also eliminate layers of supervision and review that do not add value, but tend to accrete over the years in Government structures.

Our budget requests for fiscal year 1990 are directly related to this and are prerequisite to the Library making progress. We believe that we are now instituting procedures in an organizational structure that will guarantee a more productive, economic, and responsive future.

One out of ten Library employees is on one or another of the teams that are defining this transition process. The Library staff are doing both transition work and their regular duties. This bodes very well for the kind of buy-in from our staff for the future in order to exploit the extraordinary possibilities that the process is opening up.

Our budget requests are for funds to halt the alarming erosion during the last few years in the basic areas of the Library personnel and collections.

The extensive review process has enabled us to identify the extent of this accumulating problem. The budget request of $292.6 million includes $289.3 million, an increase of $31.8 million, in funding for the Library of Congress activities.

There is also an item for $3.3 million for the Civic Achievement Award Program, which we are required to include in our budget submission, but which is not presented to us for the normal review and should not be regarded as a integral part of the Library of Congress' budget.

The requested level of funding for Library activities will stop the serious erosion of the Library of Congress that has taken place in recent years and enable us to build rationally for the future rather than merely go on improvising in an effort to sustain essentials.

CURRENT VACANT POSITIONS PERCENTAGE HIGH

The key element in the budget request is the need to remedy one central crippling reality. One out of every ten of the Library's authorized positions is currently vacant for lack of funding.

This critical gap in personnel has resulted from pay raise absorptions in both 1988 and 1989 and from other across-the-board cuts in salary allotments beginning with the Gramm-Rudman-Hollings cuts in fiscal 1986.

For 1990 the Library requests $14.3 million in its various salary accounts, as well as a $3 million increase for inflation.

Reductions in personnel have contributed, Mr. Chairman, to a massive and dangerously, progressively accumulating backlog in materials acquisition and in book processing, which can no longer be deferred without permanent damage to the Library's collection.

These backlogs and slowdowns in through-put time, which are an additional phenomenon, have produced increasing strains in information storage and user access to the Library's collections, particularly its services to the Congress.

We are also requesting an increase of $14.5 million to provide adequate funding for strengthening the Congressional Research Services technical resources to keep pace with the service demands of the Congress.

During the last 3 years the CRS has had a workload increase of 7 percent and a staffing decrease of 2 percent.

The increase will also provide funding for purchasing essential foreign books and materials at a time when the lowering of the value of the U.S. dollar has radically increased the expense of purchasing foreign materials, and for obtaining books and materials for Latin American and West Africa through new collection facilities. The latter will effect major long-range economies as well as enhance the collections. We are also requesting funds for preserving in new formats, especially optical disks, and sharing on a pilot base with Americans across the country key elements of our unique collections through the American memory project. Funds are also requested for preserving the Library's collections through mass book deacidification and the preservation of disintegrating photographs and films, an increasingly important part of our national record. Finally we are requesting funds for space to store 3 million more volumes, which will cover our space needs until the year 2000 and permit the development of a master space plan for our third century.

LIBRARY OF CONGRESS IS UNIQUE

As you have said very eloquently, Mr. Chairman, the Library of Congress is unique. It is the greatest single intellectual resource in the history of the world of human knowledge, and a totally unparalelled national asset for the United States in the information age we are now entering.

A relatively small added investment in this unique creation of the Congress will assure that we cannot only continue proven services, but also make new services possible that could not even be imagined elsewhere.

Approval of the level of support we are requesting would lay the foundation for an altogether new budget next year, since we will have fully phased over to the new concept of operation and to the many long run economies and increases in productivity that we anticipate.

Our reorganization suggests new possibilities for service to the Congress and the Nation without adding heavily to the appropriation level which we have defined in this year's requests.

CHARTS DEPICT ADDRESSED ISSUES

Now I would like to show you, if I could, Mr. Chairman, several charts which depict some of the issues we are addressing in our budget report.

Chart 3 here shows that 1 out of every 10 of the Library's authorized positions is currently vacant for lack of funding. There have been six pay raises since 1980 that have been either only partially funded or not funded at all.

Senator NICKLES. How many positions do you have altogether? You have 419, or how many? You have 496 that are vacant right now?

Dr. BILLINGTON. Yes.

Senator REID. So there are about 4,000 employees?

Dr. BILLINGTON. There are 4,800.

The cumulative effect of pay raise absorptions and other salary lapses results in 496 vacant positions because of lack of funding.

Chart 4 shows the extent of our unprocessed backlogs. These are particularly acute in our unique special collections which are an increasingly important part of our national record.

The Library of Congress is not only the largest book library in the world, it is the largest collection of special collections, the largest map collection in the world, for instance, and the enormous manuscript collection.

As you can see, the result of not cataloging collections is very serious. Not only are they not available to researchers but they are also not subject to security if we do not have them adequately processed and inventoried. In the case of books, of course, when you do not have these cataloged, there is a risk that you will purchase them again. You do not even have an accurate check against that kind of duplication.

Consequently, there are all kinds of problems that are impacted and produce multiple expenses within the system unless this problem of arrearage is addressed.

SAVINGS TO NATION'S LIBRARIES

The next visual aid here gives you some indication of how much the Library of Congress saves the Nation's libraries in cataloging costs not incurred by libraries across the country. Almost 2,000 of our people are involved in cataloging, but it is not simply cataloging for the Library of Congress. We, in fact, provide total cataloging services to libraries. The costs they would have to incur for their own cataloging is considerably greater than the Library's operating budget. Thus for the small additional increments that we are asking for in cataloging not only do they produce Library of

Congress' cataloging for our collection but they produce savings to the Nation's libraries.

Senator NICKLES. Doctor, could you explain how is that saving libraries throughout the country, the cataloging that you are doing here?

Dr. BILLINGTON. Because the expense of cataloging, which is not merely a question of putting the name and title in the computerized data base, but of determining the subject entries which is increasingly important in the time of electronic search and which requires reading the item itself as well as specialized linguistic skills. We have collected library materials in more than 450 languages. We basically do an enormous amount of the foreign language cataloging as well as the English language cataloging and the cost to particularly the smaller public libraries would be prohibitive. There are 115,000 libraries in this country who are in many ways an endangered species because of the lack of sufficient funds.

They have never been as adequately supported as other cultural institutions. That is also true of the Library of Congress with regard to the other cultural institutions of Washington.

One of their major expenses in library technical services is cataloging. In most cases it costs more to catalog a book than to buy it. But if you have a catalog card or if you can get a machine readable tape, which we produce and sell at a very, very reasonable price, you do not have to incur the cost of cataloging. This is a major form of subsidy to the entire library system of the country and much of the world.

Senator HATFIELD. Would the Senator yield?

Dr. Billington, let me interrupt. There is uniform coding system which each library uses in this country, and you are cataloging in effect for every library in the United States because of this basic uniform code system.

Dr. BILLINGTON. That is right. There is the uniform cataloging code adopted for American libraries.

Senator HATFIELD. You look in the front of a book, and it will display the Library of Congress number.

Dr. BILLINGTON. Yes.

Senator HATFIELD. And that has to also identify what material is in the book. It has to be identified as you say, beyond title, author, and date, and so forth.

You have got to analyze the book, and that requires that someone read the book. Is that not correct?

Dr. BILLINGTON. Yes; entirely so, Senator.

Senator NICKLES. That is OK. I was not wanting to interrupt. I just wanted to get a little bit better idea when you talked about saving $367 million where you were coming from.

Dr. BILLINGTON. Yes; Henriette Avram may want to add a word to this.

Senator REID. Why don't you finish your statement and then we will begin with questions.

Dr. BILLINGTON. This chart illustrates one value among many others that the Library of Congress performs for users throughout the Nation.

The value to the Congress and to the broader reading, listening, viewing, and scholarly communities that we reach out to everyday is not included in such a figure. It could hardly even be estimated. We could talk about services to the blind and handicapped and the 20 million odd items a year that are delivered throughout the country. This is a unique service to the blind and physically handicapped.

COPYRIGHT FEE INCREASE REQUESTED

I would just say briefly that on the recommendation of the Register of Copyrights, I have written to Senator DeConcini and Representative Kastenmeier, chairmen of the respective Copyright Subcommittees in the Senate and House asking them to introduce a bill to double copyright fees from $10 to $20. This would simply allow for the inflation we have experienced since the last fee increase in 1978. If Congress enacts such a fee increase, the Copyright Office income would be augmented by more than $7 million annually and that new income would offset the congressional appropriation from the general Treasury in support of the Copyright Office.

Senator REID. We could put that into general Treasury, right?

Dr. BILLINGTON. Yes, sir; but it would be our intention that it be credited to the appropriation to reduce the amount you would have to appropriate.

Senator REID. How much would it be?

Dr. BILLINGTON. More than $7 million annually we estimate.

Senator NICKLES. It would raise how much?

Senator REID. Seven million dollars.

Dr. BILLINGTON. Somewhat over that.

In subsequent years some of these savings could be authorized for other Copyright Office programs and thereby improve service to the authors who use the system and at the same time reduce the copyright appropriation.

A prime example of such improvement is the copyright card catalog. This card catalog occupies 6,000 square feet of valuable space on the fourth floor of the Madison Building, and consists of approximately 45 million cards containing the public record of all copyright registrations from 1878 to 1978.

We would like to abolish this catalog by converting it to a machine-readable format, a project that would cost about $1.5 million. We would propose making this a joint project with one-half the cost paid from increased fee revenues and one-half from a private contractor.

AMERICAN MEMORY

Let me conclude my preliminary remarks here, Mr. Chairman, by illustrating the one major new development for which we are asking pilot money in this year's budget, American memory.

The purpose of this project is to share the collections of the Library of Congress throughout America in the form of optical disks and other new technologies.

The Library's holdings are the American memory. With a small initial appropriation from this committee, we hope to engage added private and local support for a cooperative effort to begin sharing not just the cataloging, but the contents of this amazing creation of the Congress with the American people in all States of the Union.

It is in an effort to provide an American memory corner to libraries throughout this country, and, for that matter, to schools. This would supplement our ambitious programs of exhibits and symposium for the bicentennial year of the Congress of the United States and for our Year of the Young Reader which is being celebrated throughout our 19 State Centers for the book. The American memory project would reach many of these 115,000 libraries throughout America including school libraries.

The purpose of this brief demonstration we will give is to introduce you to the concept which will be developed in greater detail throughout this year and on a 6-year plan at a fairly steady appropriation. Our colleagues Carl Fleischhauer and Ricky Erway will now demonstrate for you what this is all about.

AMERICAN MEMORY PROGRAM DEMONSTRATION

Mr. **Fleischhauer**. Thank you, Dr. Billington.

Mr. Chairman, members of the committee, the American Memory Program, as Dr. Billington explained, is designed to make electronic copies on optical disks of selected collections from the Library that bear on American culture and American history.

We are planning the effort this year and hope to begin actual work next year. In order to help us in the planning process and in order to help us explain to the people with whom we are consulting, we have prepared a simulation that demonstrates how the system might work a few years hence, after a number of collections have been prepared.

My colleague, Ricky Erway, plays the role of a college student in a college library who is using the American memory's system. She is playing the role of a student in a political science class. Her political science professor has asked her to find materials that would bear on a paper that has to do with the relation between the legislative and executive branches.

She has already done her reading and has already heard lectures on the subject. She goes into our collection guide and searches on keywords like Congress and Presidents and we will imagine that she finds hundreds of items in various collections. We show you about a dozen just to give you a sense of what it would be like.

POLITICAL PRINTS AND CARTOONS

The first item is a digitized image of an 1836 political print. The figure on the left is Andrew Jackson. He is using a stick marked "veto" to attack the National Bank that Congress had chartered at that time, veto power being one of the instruments of the relationship between the branches.

Another item that our college student finds in the political cartoon collection is from 1898. Here we have the House of Representatives shown as a galloping horse. The figure pulled along on the reins is Speaker of the House Reed while President McKinley has been left back in the dust by the movement of Congress.

COLLECTION OF PHOTOGRAPHS

Having done her reading, Ricky knows that the story here has to do with an insurgency in Cuba. She does a little more searching and finds herself in a collection of 30,000 still photographs from our Prints and Photographs Division.

In this collection we have a picture of the battleship U.S.S. *Maine*, newly commissioned; another photograph of the *Maine* steaming into Havana Harbor; photographs of the crew and quarters on the *Maine*; and, finally a photograph that shows the *Maine* at the bottom of Havana Harbor, the proximate cost of this incident and the action that motivated Congress to push the President into the Spanish/American War.

TEXTUAL COLLECTIONS

In addition to pictorial collections, we propose to make available collections of a textual nature. In our simulation we give you a section of the speech made by the Senator Joseph O'Mahoney of Wyoming in the 1930's. Although he was a Democrat, he opposed President Franklin Roosevelt's plan to pack the Supreme Court.

This is a couple of paragraphs from that speech, and the word "argument" is highlighted in order to indicate how one may search on individual words to find relevant passages in a "free text."

MOTION PICTURE MATERIALS

We also propose to include motion picture materials and in our little demonstration this morning we give you an excerpt from a "CBS News" documentary from 1961. Jack Kennedy had just been inaugurated and CBS sent Howard K. Smith over to talk to Howard W. Smith, "Judge Smith," the chairman of the Rules Committee, to ask him how the New Frontier legislative program would fare once it reached the Hill.

[Video segment.]

Mr. **Fleischhauer**. In certain respects electronic presentation of collections is a logical extension of microfilm presentation, but there are certain advantages.

One advantage, shown by this little printed handout, is that we can print more easily and more comfortably from electronic materials than from microfilm.

SENATOR MACLAY'S DIARY

Now our college student presses forward in her search through the collections, and comes to a manuscript, a quite famous one in this bicentennial year. This is from the diary kept by Senator William Maclay of Pennsylvania, who was a Member of the 1st Congress, which met 200 years ago in New York.

On August 22, 1789, George Washington came in to seek advice and consent on a treaty. Patterns for advice and consent had not been well established. Washington expected the Senate to vote that same day, but they did not. There was not sufficient information and the matter was deferred. This infuriated Washington and Maclay records his words in the quotation shown on the middle of the screen. Washington left the room saying, "This defeats every purpose of my coming here." He was really furious about it, but calmed down a couple of days later and settled the matter.

TREATY OF VERSAILLES

Now the question of treaties intrigues Ricky and she saves a copy of the diary page. I will explain about saving in a moment. Then she presses on to a few more hits in her search. As it happens, the next couple bear on treatymaking as well, and we see the visage of Woodrow Wilson coming into view, and, of course, the topic here is the Treaty of Versailles.

At the end of the first World War, Wilson went to Europe to negotiate the treaty, but did not spend very much time on the Hill. The political cartoon that Ricky finds next tells the outcome of that story.

The cartoonist pictured Wilson returning with the League of Nations as his new bride. He knocks at the door of the Senate and gets a very chilly reception from Henry Cabot Lodge and others. In the end, of course, the treaty was not ratified.

IMPEACHMENT

Ricky saves a copy of this cartoon and presses on to the last couple of hits which have to do with the most dramatic point of intersection between the two branches: impeachment.

The first item is an oil painting by Thomas Nast, who is better known as a cartoonist. He also did oil paintings that are in the Library collection, and this one shows President Andrew Johnson during Reconstruction. Johnson is at the scene of a riot, even called a massacre in some accounts in New Orleans. He is pictured as "King Andy." It is a very strong satirical statement. It gives you a sense of public opinion and congressional opinion, which brings us to our final hit in our little show, a page from the Thaddeus Stevens manuscript collection.

This is one page from the second draft of Stevens' impeachment speech. Stevens was a member of the House from Pennsylvania. The House did vote to impeach Johnson, although the Senate failed to convict him by one vote.

Now the point of this entire show is that a student (or any user), having found their way through a number of these special collections and having, as Ricky did, saved a couple of copies, can go to what we call the workshop.

Workshop means what microcomputer people call desktop publishing. The point is that if you find textual items or digitized visual items, you can bring them into a writing program. We conclude with a simulation of the first couple of pages that our student writes. This simulates a paper on treatymaking as it elucidates the relationship between the branches of Government. The paper has been illustrated by a couple of the items she found.

More to the point is that American memory materials in this format could be used by teachers to prepare handouts, school system media centers to prepare curriculum materials, or users of various sorts to work on projects of their own.

This concludes our show, Dr. Billington. I will turn the floor back to you.

Dr. Billington. Thanks, Carl.

COMMITTEE MEMBERS RECOGNIZED

Senator Reid. Dr. Billington, we appreciate very much your statement. Prior to getting into the questions, since I gave my opening statement, the ranking Republican and my ranking member on this subcommittee have come.

Senator Hatfield, do you have a statement?

Senator Hatfield. Thank you. No, Mr. Chairman. I appreciate the opportunity to make one. I do not at this time. I will wait my turn and I will pose questions.

Senator Reid. Senator Nickles?

Senator Nickles. I do not have a statement either, Mr. Chairman. I do have a plane that beckons me to make a commencement address this afternoon or this evening.

Senator Reid. Would you like to ask some questions now then?

Senator Nickles. I have a series of questions that I will submit.

Dr. Billington, just a comment, you have requested a $30 million increase. Is that correct?

Senator Reid. Fourteen percent.

Dr. Billington. Well, it is 12.3 percent.

Senator Nickles. $32 million increase, what a 12.3-percent increase?

Dr. Billington. Yes; a 12.3 increase if you exclude the civic achievement award item, 12.3 percent.

Senator Nickles. And of that how much of that is personnel and how much of that would be additional facilities?

Dr. Billington. It is $17 million for salary increases. We are requesting $2,088,000 for a storage facility.

Senator Nickles. Are you trying to fill those 490 some odd slots in addition to cost-of-living increases for the——

Dr. Billington. No; we are trying to fill some of them and we are trying to add some new ones.

There is a 10-percent lapse rate. We accept that about a 4-percent lapse rate is an acceptable normal amount.

Senator Nickles. Through turnover and attrition?

Dr. Billington. Yes, sir.

CONDITION OF BUILDING ROOFS

Senator Nickles. You had some problems with a couple of the buildings with leaks and so on. Have those been taken care of?

Dr. Billington. We have, as you all know, and Senator Hatfield in particular has been involved, a massive reconstruction which we think is proceeding quite well and will have glorious results in the original Jefferson Building at the conclusion of the project.

In the course of renovation we have found that that roof leaks more than I think we thought at the original time, and there have also been some leaks that have developed in the Madison Building which is the newest building.

The reconstruction work is for the Jefferson Building and the Adams Building, but there are some leaks in both the Jefferson and the Madison Building. Mr. Curran may want to speak more detailed on that.

Mr. Curran. I believe last year the Congress appropriated money to Mr. White to essentially look at and design a new roof system for the Madison Building because it is a flat roof and it needs replacing. I am sure you will hear from him on that subject.

For the original Library building, the Jefferson Building, the renovation money did not include extensive roof replacement. We have pointed out the need for repair and we feel that the Architect must address that issue because the old copper roof on that building does need substantial replacement and repair, but that is not included in renovation.

So the answer to your question is yes, we still have roof problems.

AMERICAN MEMORY'S INTENDED SCOPE

Senator Nickles. And just one final comment, and, Mr. Chairman, I will submit several questions, and I apologize that I have to run.

On the American memory project, which I enjoyed the demonstration, you are requesting almost $1 million for that and 17 positions? Is that correct?

Dr. Billington. Yes, sir.

Senator Nickles. On the American memory project, is it your intention to have that where all the libraries in the country could hook up through the Library of Congress to that facility?

Dr. Billington. Well, we would hope eventually that might be possible, but we will have to begin somewhere—this is essentially a 6-year pilot that we envisage will produce about three or so disks a year. Our eventual objective is to get these disks in every State and hopefully in every congressional district, and ultimately in every library that wants them.

The origins of this program came with our national forums in different parts of the country. It resulted from a dialog with the 10,000 librarians and information science specialists with whom we met last year. It was not something we superimposed.

We have had a 97-percent affirmative response so far from the first survey we have sent out as to whether or not libraries would want such a product.

Senator Nickles. I am trying to figure out how extensive your pilot program is. How many areas are you going to try and set this up in?

Dr. Billington. Well, I think initially we envisage a number of pilot programs.

What are the numbers that we are thinking of at the moment, Carl?

Mr. Fleischhauer. I think a good way to answer your question, sir, would be to say that we do hope to find from one to three sites in every State. The idea would be that the distribution should be national as quickly as possible, even though there may be limited total coverage during the first couple of years.

The survey that Dr. Billington referred to is with the State libraries. For example, I know we had a response from Robert Clark at the Oklahoma State Library in Oklahoma City who expressed interest, as did Joan Kershner of the State library of Nevada. And those make logical, if you will, outposts for us.

We want to work with those State libraries and research libraries to have materials available within the States at multiple sites.

The demonstration shows a kind of integrated access where you have a way of getting at multiple collections at the same time. Some of the collections would appeal to separate interests and would be separately available.

LOCAL HISTORIES TO BE SHARED

We really want to share our collections of local history materials, for example, which might be organized on a regional basis with places around the country. Those could be used on less expensive equipment more widely. So we would say that parts of American memory would penetrate as far as CD-ROM products do.

Dr. BILLINGTON. One set of these disks will be essentially State and local history so that they will have special interest in regions. What we have devised is a pilot that has different types of disks. This project is basically disks rather than on line material. They will be delivered like books. So once you have the initial capital investment in some machinery, for which we hope to get either donations or concessionary prices from the private sector for the local libraries, it will be advantageous ultimately to produce a great many of these disks. We have studied a whole range of interesting possibilities from the collections.

But it seemed to us that this 15 to 20 disks startup pilot was the minimum critical mass that you would get to learn exactly how the various ways that people actually wanted to use it. There is no way of premarket testing this because this is totally original.

FAITHFUL TO JEFFERSON'S CONCEPTION

This is interactive. This is interactive material and what is centrally important is that its faithful to Jefferson's original conception to encourage the active mind. It is not just another television wash over the mind.

You have to search. You have to have an active mind searching, making your own selections, making your own connections, and hopefully writing your own composition on the same machine in which you do the searching.

It takes the new technology and reinforces the old values of libraries. It also reinforces the local libraries in the local communities. Many of the high tech people with whom we exhaustively discuss these problems say, "Well, look you have got three points of entry, the telephone, the television, and the personal computer in everybody's home."

But if you do that you bypass the local institutions. You sort of use the Library of Congress as a kind of override. This way we are reinforcing the local institutions and we are not contributing to the specifics you get into if it is just something that comes through the television screen rather than something you have to search out.

Moreover, these stations will be corners in local libraries so that they will stimulate people to ask other questions that they will be able to answer by looking in the reference collections that will be all around them.

So it does electronically what you do in a library. What the library's great historic virtue is that there are different points of view, that there are different books, that you have questions that you want to ask and, therefore, you go into different books.

These collections, because of the large storage capacity of the disks, will be large enough so that there will be real variety on these disks and there will be real integrity to the collections so that they will be useful permanent additions as well as stimulating pedagogic elements.

SENATOR NICKLES' VISION

Senator **Nickles**. I appreciate your comments. Just a final comment, I happen to be a little bit of a computer buff like probably a lot of people are.

I subscribe to Source and for $10 a month I have unbelievable resources at my little touch of PC and to have that similar type of opportunity to be able to tap into the Library of Congress is exciting.

And to me to really envision the dream of where I would like to see it, I would like to have it to where you can hook into a modem and have PC users from universities and homes and so and that would be exciting and to me to really envision of where I would like to see it, I would like to have it to where you can hook into a modem and have PC users from universities, and homes, and so on.

That would be exciting and it may be not that far from being readily available. Again, I am just amazed at these different computer services that you can subscribe to for next to nothing and have at your fingertips already. This is already done. So I hope we do not have a duplication.

I need to run. I do think that your request is somewhat optimistic and maybe not so. We will have to see where we stand on the budget and so on, but we will look forward to working with you to see whatever we do will be advantageous and also fiscally prudent.

NEED TO REVERSE CURRENT TRENDS

Senator **Hatfield**. Mr. Chairman, could I make one brief comment before our ranking member leaves?

I just want to follow up on his point because I read recently that there are more video cassettes sold in this country than books checked out of free public libraries.

And I think that is a trend line that we have to really deal with or reverse or balance out.

My alma mater built a library here about 2 years ago I think it was one of the first computerized—all computerized libraries.

In 1 year's time the students using that library utilized it 2½ times more than the prior year, which means that the computer became an entree to greater utilization of the printed material. And I think something like this memory is absolutely a necessity, a priority to get the American people back into action in terms of accessing and using information, besides the matter of entertainment.

And when you look at the scores on math identifications or other test scores of our young people today it is very alarming. The low rankings that our young people have from the eighth grade through high school in comparison to other countries is atrocious, and one of the reasons is that we have become mesmerized with a lot of videos that are trash to begin with. We must lure them back into reading books, or we'll be in big trouble.

I just wanted to make that observation.

Senator **Nickles**. Thank you.

Mr. Chairman, I will submit my questions.

And thank you, Dr. Billington.

Dr. **Billington**. Thank you very much.

FUNDING FOR POLICE POSITIONS

Senator **Reid**. Dr. Billington, you are requesting about $600,000 to fill 15 authorized but unfunded positions in the Library of Congress police force.

Why do we not just have the Capitol Police do this job? Why do we need a separate police force?

Dr. **Billington**. Well, Mr. Chairman, first of all, it is a statutory thing that developed historically, but it has a rationale. I mean at the simplest level of the Capitol Police force, they review the security of people coming in, whereas we want to establish security of people going out, that is to make sure they are not taking out things from the Library's 22 open reading rooms.

Senator **Reid**. Are they specially trained then?

Dr. **Billington**. Well, they are not as well trained as they might be. We are trying to remedy some historic inadequacies and defects in that regard because security is a prime consideration. We have an open library of 22 reading rooms.

Senator **Reid**. Do you have a lot of books that are stolen?

Dr. **Billington**. It is difficult to compute that, but we do not want to wait until we have disastrous statistics in that regard.

One of the many things that we have done in the last year and a half has been an exhaustive internal study of security. This study concluded that we need more police and we need them better trained. We also need to be able to make up for a lack in the supervisory ranks in which we have had vacancies since 1982.

In the course of my rather extensive consultations with the staff, I met fairly early on with the police several times in my office and I reached the very firm conclusion that this was an area in which we needed improvement. Consequently, I was happy to testify about pay parity with Capitol police.

We have that now, but we do have these other rather serious problems that affect both security and equity with regard to the police.

Senator **Reid**. Dr. Billington, you are no longer going to require prior police experience. Did you know that?

Dr. **Billington**. I think I might defer to Mr. Curran.

Senator **Reid**. This is just $500,000 or a little more than that, and I thought that it might be a way to achieve some savings. I think that we should look into whether we could maybe have the Capitol Police do that. That is a lot of money. They are already trained and the additional training that would be required for the Library of Congress detail I am sure they could handle with a little bit of added training. I just think around here we have too many people that are doing the same thing. I mean I just cannot believe we need a separate police force for the Library of Congress. I understand, maybe, the Supreme Court, but why the Library of Congress?

Dr. **BILLINGTON**. I think it is only $150,000, not $500,000.

Senator **REID**. No; I am saying you are requesting $555,567 to fill 15 authorized but currently unfunded positions for the Library of Congress police force. You are requesting $150,000 for police training, and I just think this is—now we are up to three-quarters of $1 million.

Dr. **BILLINGTON**. The problem is that the training you would have to give is the training for the right procedures of searching and making sure that large numbers—some 3 million visitors a year do not take library materials out of the building.

Senator **REID**. But that is just like the Capitol.

Dr. **BILLINGTON**. Yes; but I mean we have books, pictures, all kinds of multimedia items.

Senator **HATFIELD**. Corresponding to Congressman and Senators up here. [Laughter.]

Senator **REID**. But in the Capitol also we have things——

Dr. **BILLINGTON**. Our police must have training suitable for a library.

Senator **REID**. I just think that that is—and I do not know who should look into that, but I think that maybe we should consider whether or not we should statutorily change that.

For the three-quarters of $1 million, for example, that you are asking here we could take care of your program that you just demonstrated.

Senator Hatfield, who do you think we should have look into this? GAO, or who do you think we should have do it?

Senator **HATFIELD**. If you want an evaluation or assessment, GAO is perhaps the best agency to do that.

Senator **REID**. I think we perhaps should do that. We need not spend anymore time on it now, but by next year, Mr. Bonham, let us have GAO do a report for us to find out if the Capitol Police could take over this function.

NEW OVERSEAS OFFICES REQUESTED

Senator Hatfield, I know you have some questions, but here is an area that I am really interested in. Dr. Billington, you are planning to open two new overseas offices, one in Central America and one in West Africa to increase the Library's collections of strategically important publications.

I am told that we have the largest collection of Latin American books in the world. Is that right?

Dr. **BILLINGTON**. Yes; we believe that is correct.

Senator **REID**. Well, conceptually this looks good to me, but why is it not possible to use other Government agencies, for example, State Department, USIA, Department of Defense to obtain materials in other areas of the world?

Dr. **Billington**. Well, no one simply purchases the books for fundamental research purposes. There is a random purchasing that goes on, and in fact the tightening of State Department budgets has resulted in the lessening of book purchasing in many overseas posts in recent years. It is one of the easiest things to dispense with. We now have six overseas offices. In the long run this is an enormously cost efficient way of purchasing books.

Senator **Reid**. It is my understanding you can also purchase the books there more cheaply than you can contracting to buy them from here. Is that right?

Dr. **Billington**. Yes, sir; you cannot only purchase them less expensively but you can process them and do preliminary cataloging more inexpensively and more rapidly. You also get up front quality selection. As it stands now we get 31,000 items a day from around the world in the Library of Congress. No other library in the world is anything like this. We only keep maybe 6,000 items of the total received each day, but you would save all the way down the line if you have more quality selection up front.

Moreover, much purchasing has to be done by field trips. We just had from our Karachi field office a field trip which brought back nearly 25,000 items at about 6 cents an item. That is far, far cheaper than it would cost if you sent somebody out from Washington.

The average price of an acquisition trip from Washington is $5,000. The average price of an acquisition trip from one of our field offices is something like $750. You save in so many different ways and you have the people on the spot gathering important publications.

In Brazil, for instance, just to take your Latin American example, in a relatively short time since we opened that office we have built up an extraordinary collection, including materials on the developing political process in Brazil. It is undoubtedly the best collection anywhere in the United States—possibly even better than in Brazil. This results from the fact that you have someone touring in the country and buying on the spot.

Whereas in Mexico, we bought last year less than one-third the number of books than we did in Brazil because we do not have an office there. We think this is one of our highest priorities. Mexico, of course, would cover Central America—again, where there is no one really adequately book purchasing.

OTHER OVERSEAS OFFICE FUNCTIONS

Senator **Reid**. What do they do there other than buy books in the field offices?

Dr. **Billington**. They buy books and they do some preliminary cataloging. They could do a lot more with just a little bit of help, much less expensively, by the way. It is mostly local help, which is much less expensive than it is here. Our people can then concentrate on more skilled and selective qualitative tasks back in the Library.

Moreover, these people buy for other research libraries so that they get some cost recovery from charging a fee to other research libraries. You will notice that I have a thick file of supporting letters for both of these too, both the West African and the Mexico.

WHICH OFFICE HAS PRIORITY

Senator **Reid**. If you had your choice and we decided to give you one of them, which would be your choice?

Dr. **Billington**. Well, it should really——

Senator **Reid**. Because of the budget.

Dr. **Billington**. It would in effect be your choice. I think we would have to say probably that for obvious political and proximity reasons the Mexican office would perhaps be the first choice. I would have to say, however, that the disparity in our collections in East Africa and West Africa is obvious. West Africa is also of great importance. It is the historic homeland of much of our Afro-American population. West Africa is very inadequately covered in the libraries of this country. The support from the research community for our doing this is very great because no one else can really do the collection job. The job that has been done in East Africa from our Nairobi office is so outstanding that it seems a shame not to do them both.

But if you were to force me to choose, I think I would say that because for obvious political and immediate proximity reasons, the Mexican office probably would have to be a greater priority, but that is a strategic decision that the Congress itself might prefer to make.

Senator **Reid**. Senator Hatfield, I have a number of other questions, but I am so happy to have you here today that I would like to now turn the panel to you for whatever questions that you might have.

LIBRARY REORGANIZATION DISCUSSED

Senator **Hatfield**. Thank you, Mr. Chairman. It is a pleasure to serve under your chairmanship on this subcommittee which is an area of great interest to me.

I have three questions, Dr. Billington, relating to your testimony.

There is about a 12.3-percent increase requested in this budget over the current fiscal year, and a major part of that increase is in relation to staffing. You have estimated that about 500 authorized positions have not been filled, 1 out of 10 of your total employment.

At the same time, you have announced a reorganization of the Library by categories of missions.

When do you expect to have the implementation of that reorganization complete?

Dr. **Billington**. Essentially the reorganization will be in place by the end of this fiscal year.

Senator **Hatfield**. You state on page 4 that in the reorganization you will eliminate layers of supervision and review that do not add value. Is your baseline for the filing of vacancies on the current organizational plan, or is it based upon the reorganizational plan proposed?

Dr. **Billington**. We are——

Senator **Hatfield**. A combination of layers of supervision and review.

Dr. **Billington**. Well, no, the budget is based on the current organization and we will go over next year in the budget to the new one. You cannot do half and half.

Senator HATFIELD. So that will affect the number of vacancies you will want to fill?

Dr. BILLINGTON. We will have a crosswalk for this committee next year so that we will be able to translate it from the old budget format to the new and be able to trace precisely what is coming in and what is coming out.

But in fact, I am not quite sure what the question is, Senator.

Senator HATFIELD. Well, when you eliminate layers of supervision and review, that translates in my view to personnel supervision.

And if you are going to eliminate these layers in your new organizational plan, then I suppose you will transfer some of those current supervisors to other positions in the library to compensate for those vacancies that now exist in your organization.

What do you do with those supervisors under your new plan? Fire them? Transfer them?

Dr. BILLINGTON. This is being worked out in the transition planning process. I mean we are trying to define really for the first time in the 187-year history of the Library, as far as I can determine, a way to derive mission from values, strategy from mission, budget from strategy, rather than simply debate over how much you add or subtract incrementally every year to existing entities.

That will require a very substantial reallocation of resources and redefinition of new jobs. That thing has to be done systematically on the basis of a total plan.

Senator HATFIELD. Sure.

Dr. BILLINGTON. We cannot at this point in midstream on that give you an estimate of those things, but we can say that given the extraordinary range of things that have to be done to sustain this institution and that might be done, we do not really foresee very much net reduction in our personnel level. We want to free up people to do more creative work.

TRANSITION TEAM IS REVIEWING

Senator HATFIELD. Well, possibly a net increase then. Is that it?

Dr. BILLINGTON. Well, it might be. It is premature to say, and, of course, anything that we propose will have to pass muster with this committee.

But what we are in essence envisaging for this future, which the transition team is working out right now, would be in effect the net transfer of a significant number of people from one type of managerial job either to another type of managerial job, or perhaps to sort of specialized nonmanagerial jobs where their talents can be fully realized. As it is now the only way to get ahead in the Library is to go into a managerial position. There are many talented people who have special talents, but they may not be best used in management or they may not be adding value in the position they are in.

That is not to say that those people do not have great value to add. And the question is, How do you relocate them? Given our overall staffing problems, it is not realistic to assume that there is going to be a savings of a great many positions. We think it is going to prevent the need to add positions, and that it will more efficiently allocate resources by getting more value from the positions that we have.

Senator **Hatfield**. In the reorganization then, if I understand you, you visualize an expansion of services?

Dr. **Billington**. In fact we do.

Senator **Hatfield**. Is that correct?

Dr. **Billington**. Yes; we are already——

Senator **Hatfield**. You are moving to a higher level of services in the reorganization and in the five categories of missions.

Dr. **Billington**. Yes, sir.

Senator **Hatfield**. So that you will absorb the people filling these, you eliminated positions, then. Is that correct?

Dr. **Billington**. Yes; for instance, how are you going to staff the special project teams? If you are going to have in effect matrix teams that come into being for a fixed period of time, say dealing with arrearages, you could get on top of that problem. If you have people that are motivated to do it and given the decentralized authority and specific targets and time lines, then they go out of business when the targets are met and get on to some other special project operations. There is going to be much more fluidity of movement.

Senator **Hatfield**. I suppose the problem is that when you speak of reorganization of Government, there is an image of reducing and making more efficient the cost of operating Government vis-a-vis the Brownlee, the Hoover Commissions, the Grace Commission, et cetera. But in this case you are saying reorganization of the Library is really increasing the mission of the Library or the services of the Library.

EFFECTIVE USE OF INFORMATION SOUGHT

Dr. **Billington**. No; I think it is more adequately fulfilling the historic mission of the Library in a time of dramatic informational change and in recognition of the extraordinary unrealized asset. We are talking about something that is rather like the unmined gold reserves as people were entering the gold standards.

We are entering the information age. This is the greatest supply of information. It is not being effectively used for the broader purpose of the Nation, for our educational and our competitive purposes.

Take the competitiveness issue, we have had a number of requests from your colleagues in Congress about Japan. We have the largest Japanese library outside of Japan and it needs to be more readily available to Congress, to the business community, and the American people. We have more than 100 people that use Japanese fluently in the Library of Congress.

One of the many things we do at no cost is the National Translation Center from the University of Chicago, which we have just been given.

We have the capacity to deliver information to the private sector to help them become more competitive in dealing with the European Community and the Far East.

Senator **Hatfield**. Dr. Billington, I think it would be helpful for us if you would translate the missions and the concepts into a dollars and cents budget analysis. Perhaps you could have your budget person suggest to this committee for the record what your level of employment is as it relates to your current structure, and what reorganization will require in terms of personnel and salaries. It is a little confusing when you say that you are going to eliminate layers of people, but you do not translate that into the increase requirements under your reorganization plan.

Dr. BILLINGTON. Well, I cannot give exact information.

Senator HATFIELD. That would help me to understand your budget request.

Dr. BILLINGTON. I realize there is an element of uncertainty about it, but I do not want you to think there is an element of randomness about it.

There are two ways to do a reorganization. You can come up with a blueprint and force everything into it. Or you can involve—we have I think a profoundly revolutionary concept. This is an introduction of a kind of matrix-type management, a kind of decentralization which the creative private sector in France, Sweden, Hewlett-Packard in the United States, have done long ago and the Government has been reluctant to do.

We think we can do it because we have people who want to work more. They want to work more on the creative things and do less of the kind of bureaucratic things that are superimposed on them by multiple volumes of regulations.

We could come up with a blueprint which would answer your question right now, but I think it would destroy the morale and the momentum and the participatory quality of evolving this plan that we have.

What I can guarantee you is that we will have next year a budget that will demonstrate to you that there have been significant economies and I believe they will continue in the future.

Senator HATFIELD. Dr. Billington, you are asking for a 12.3-percent increase for this fiscal year that we have to deal with here and now. Maybe the chairman has a different perspective, but it seems to me that we need to underscore that with some kind of an orderly transition.

I am speaking as a supporter of the Library, not as an adversary, and I merely seek to justify your proposals when we go to our colleagues and ask—I am willing to support a 12.3 percent, but I have to have the data base upon which I can make my argumentation.

Dr. BILLINGTON. We will be happy to supply that information for the record.

Senator HATFIELD. That is all I am asking.

COMPARISON WITH OTHER INSTITUTIONS

Dr. BILLINGTON. We, of course, will provide you with whatever you want. I would just say that we are requesting funds to regain ground from past cuts. The major other cultural institutions in the last 5 years, according to the statistics that I have been given by the American Library Association, have increased in appropriations more than one-third. The Library's appropriations have increased only by one-tenth, no where near the inflationary increases.

Senator **Hatfield**. I understand.

Dr. **Billington**. The fact is that we are not keeping up and we are the focal point of the information age, which is a qualitatively different set of problems.

Senator **Hatfield**. But you are also in competition for nerve gas and for SDI and for the supercollider and all of these other things, and we as a part of that whole process are dealing with more than the Library.

I put a priority on the Library over the supercollider, but that is just one man's opinion. Consequently, I have to be able to argue for the Library over its competition. And all I am asking for is the statistical data that I can use to argue for the Library.

Senator **Reid**. Would the Senator yield?

Senator **Hatfield**. Yes, sir.

Senator **Reid**. I am having the same problem. I am in favor of streamlining anything and I think it is time, based upon your statement, that the Library of Congress was maybe streamlined a little bit. But I think what we need is something more substantive to indicate whether we are going to fund positions this year that will not be needed next year, or are we going to need to fund some additional positions next year but delay them until that time? We just need something to put our finger on, I guess. Is that right?

Senator **Hatfield**. Exactly.

Dr. **Billington**. Well, I am not sure what exactly you want me to put our finger on. I am happy to do it, but I want to make sure what I am being instructed to do.

Senator **Reid**. Again, appreciating the Senator yielding. I do not think we are instructing you to do anything other than make it so it is a little easier to understand what we can anticipate next year with your having streamlined the Library this year administratively.

Senator **Hatfield**. You are asking for 500 new positions. You say they have been unfilled in the past 2 or 3 years, and at the same time you suggest a reorganization that will eliminate some of those layers of supervision that you already have in this organization.

All I am trying to find out is whether you wish to eliminate some of the jobs that we are funding for the rest of this year or for this coming year. We have to have clarified what the transition plan is. I am just asking for a little better understanding of what you want now and what you expect to have down the road.

MANY LOWER LEVEL POSITIONS

Dr. **Billington**. Let me make a couple of general points and I will try to answer it more specifically for you. First of all, many of these positions that we are asking for are lower level positions so that we can free higher level people already on our payroll to do more substantive work and less rote work.

There is already a built-in higher delivery. Take the National Reference Center for which we are requesting funds, which is the other new initiative in this budget, all of the requested positions are lower level positions designed to free up the other people for only those things which cannot be done automatically.

WILL STILL HAVE VACANCIES

We are also going to still have a lot of vacancies even if you were to give all the positions that we are asking for. But I think that undoubtably there will be some net economies involved in the overall organizational plan. I think for the most part you are going to see the people moving out of nonvalue added layers of management into other positions in the Library where they will have the satisfaction of adding more value to the total product.

But I would be reluctant to provide you exact numbers, not because I cannot. I will be happy to if you want, but that would change the nature and the spirit of the process. We have the labor unions participating with us on the transition team. We are involving in an unprecedented continuously consultative process so that we not only effect an equitable and satisfying transition for as many people as possible. We are able to sustain, I think, the kind of improvements in morale and enthusiasm which a process of this kind that is generally open ended will sustain.

We will have economies and you will be able to see where we have transferred all of these positions in the future and I can give you some gross indications of it if you like.

I do not know that I can be more precise than that.

MATERIAL SELECTION PROCESS

Senator HATFIELD. Mr. Chairman, you have been very patient. I am going to reduce my three questions to two.

I would like to ask one last question. In the preparation of these optical disks and the illustration today in the field of political science, who handles the curriculum, selection of data, the illustrations, et cetera is it a committee, one person? How is that handled?

Dr. BILLINGTON. We have had so far a librarywide committee. It has been a marvelous vehicle for getting all the different curators of collections to talk to each other about common service to this outside constituency beyond the beltway.

We will as we go along consult with an advisory committee of academics.

Senator HATFIELD. I hope so because it concerns me that the 1920's and the 1930's have been a neglected era and we have been perhaps too influenced by the similarity of Morrison and the Schlesinger interpretation of the data of that period. Probably in this period more than any other area of political history has been the influence of the revisionist historians. And I would like to see a mix there so that we are not just perpetuating some myths—some of the narrow perspectives of a Schlesinger or of Eliott Morrison or Henry Steele Comminger who have dominated that period of our history because they wrote so much in news clippings from their own biases.

And I would hope that we would have a very broad base of consultants on—including revisionist historians, the Joan Huff Wilsons, the Williams, and the others of that period that are now revising history. Just a thought.

Dr. BILLINGTON. No; that is a very useful thought and I would say that one of the beauties of the American memory approach as distinguished from a textbook approach is that you will introduce a great deal of visual and documentary material which will permit independent judgment. Any book and any documentary movie represents much more of a selective point of view than a rich selection of photographs, cartoons, maps, et cetera.

FARM SECURITY ADMINISTRATION PHOTOGRAPHS

Take the 1920's and the 1930's, one of the things we are asking preservation money for now is to salvage and make usable the Farm Security Administration photographic file, which is the best record of rural America in the 1920's and 1930's. It tells you what it was like by looking at those pictures. The nitrate acetate erosion problems on these photographs are so great another generation will not have them if we do not do anything about them.

That is one of the areas that we are preserving.

Senator **Hatfield**. And two volumes of social trends that were developed in 1931 too, which is still a classic that you will not find in a majority of libraries.

Dr. **Billington**. An absolute classic and very, very neglected by scholars up to now. The work leading up to that study, which was in many ways a model for a kind of intensive survey research. The survey did not produce the results that historians wanted, so it tends to be neglected.

We are incidentally using at no cost to the taxpayer, let alone no increase in the budget, our Council of Scholars as consultants on this sort of thing. We will surely have an advisory body for American memory but the nice thing also is that you can add disks to this. If the feedback is such that it is perceived that you are excluding something, you can always add something else, and I think this is essentially the American tradition, that we not subtract anything even as we add new things.

Senator **Hatfield**. Thank you.

Thank you, Mr. Chairman.

Senator **Reid**. Senator Hatfield, thank you. You are now excused. As I indicated, I am very happy that you are here.

Senator **Hatfield**. Thank you.

SENATOR ADAM'S COMMENTS

Senator **Reid**. I would like to now welcome to the subcommittee a new member of the subcommittee, Senator Adams from Washington.

Senator Adams, do you have a statement and/or any questions for Mr. Billington?

Senator **Adams**. Thank you, Mr. Chairman. It is a pleasure to serve with you on this committee. I am very pleased that you are chairman of it. I made a particular trip this morning because Dr. Billington is not only an old friend, but is a great scholar and a great asset and a treasure of the Congress, both for his bilingual abilities and his scholarship in this whole field of librarianship.

Senator **Reid**. Senator Adams, I would agree with that, but you are also a treasure. You have a great history as a Member of the House of Representatives, Secretary of Transportation, and now in the Senate. So you may consider him a treasure, but I consider you one.

Senator ADAMS. Thank you very kindly. We have both been around a long time.

Jim, I have this question and this suggestion and I am not going to try to repeat the questions or go into the detail that has been previously elicited by the chairman and by my good friend, Senator Hatfield.

But I went through a lengthy reorganization of the Department of Transportation when I was there. I considered it a project of great importance and the President had instructed that this would be a very good idea.

I would say it was probably the most frustrating and least worthwhile thing that I did in the Department. The moving or changing of a bureaucratic system is incredibly difficult, and I agree that you should use a different approach.

But I would like to make a suggestion to you and the questions that have been asked by the chairman and asked by Senator Hatfield, and that is this, that we developed, when we were doing that reorganization, the kind of thing that I know you are trying to avoid for internal discipline problems and for keeping yourself from falling into the typical bureaucratic trap.

But it is necessary for us in order to pass your budget, which is we need a flow chart up and down of your new positions. You are going to have to go to the boxes, and I am not suggesting that you use your mind to do that, but you will find in the Library—you can particularly find it over in your Research Division and you can go down there and look at some that have retired and they can create enormous and great charts for you. [Laughter.]

Senator ADAMS. I am not suggesting that this be your reorganization plan because I got trapped in charts and I had boxes and squares and dotted lines and I eliminated the assistant secretaries and I put new names on old ones and I shuffled the whole place around. I am not sure that anything changed after I did it, but I did it.

But it does require, just as a part of the jungle lore of the appropriations process on Capitol Hill, that if you can give to us what I think you are trying to do, which is a positive thing, to shift into the new information age. You are the new information age, and that instead of indicating that your personnel you are hiring at the lower level to release the others to do what is to us an amorphous task. I know it is not to you because it is a scholar's task. You want somebody instead going through pages and pages of rope and filling out many forms to be doing a little scholarly research and finding some documents and doing some intellectual works for which you will keep them.

But if you would just show us on your chart, starting with our unfilled positions, that your unfilled positions flow in this way and that your new people that you are going to bring on, and I would fill the unfilled positions first, and you can jockey those boxes, that as they flow up, they are to form information matrixes to provide particular services that the Congress will need in the information age you will fall on fertile ground because the chairman, myself, a number of us that came into 2 years ago, some from the House of Representatives, some of us from outside, as we arrived in the senatorial offices I can tell you there was universal feeling of being absolutely appalled at the way information was handled, the lack of ability to get at information, the computerized system did not work.

I do not think I am overstating it, am I, Harry?

Senator REID. No.

SUPPORTING DOCUMENTS REQUESTED

Senator ADAMS. There was a great deal of a disaster. You can bring a budget to us using these supporting documents that will indicate how you are modernizing the information services.

I cannot tell you how to do that because I do not know how to do it in my own office. I have to rely on the fact that my new young people are very bright and they handle information. We use no paper in the office anymore except for old Adams. In other words, they print out things so that I can have them. I am the only one that does not have a terminal on my desk and all information flows in that fashion.

It is very good information and they use the Library a lot. And if you can just produce for us to tie to these numbers, we may be able to get you an increase because I am a Library supporter. I am not just a supporter. I am an enormous fan of it because I think it is one of the few places, one of the few places where we have any chance whatsoever to compete with the executive in getting up to date information or analysis on a particular problem, but we have got to see that on a piece of paper so that the chairman can say and I can back it up that if a particular senatorial office is working, as I happened to be for example 1 year ago on separation of powers and we were trying to determine what were the foreign power policy powers of the Presidency as opposed to the powers that Congress has, who could declare war and who could not, this is very esoteric stuff for the Congress and it was only by plugging in and you can show us how matrixes like this are available. I think we can show that the Congress needs this. And I think that is what you are trying to create because we are faced when we try to do this with scholars who have written all the tones on this and I am glad Mark said what he did.

They generally have their own viewpoints and that will become the knowledge. There is no offsetting place. And I just give that as a suggestion because I would like to help you with this, but I think what the chairman is saying and what Senator Hatfield is saying is we do not quite know how to do it because if we just go in there and say, as we have on this one document, that we need $292.6 million additional and that some positions are unfilled and some are new, and that it is part of a reorganization, we cannot carry it, but I think we could carry your new information matrixes and you can put them in dotted lines to show they are completed as yet if you want to.

But I think I know what you are aiming at doing, which is creating a series of information matrixes in the Library of Congress sitting on top of this enormous files and pages and enormous amounts of information with a series of very good analysts who can get into that information and then can get it to the matrix and then can translate it for us dummies.

And if you can get that kind of a flow across, I think I can talk to some people and I am sure the chairman would to say this source is available.

Senator **Reid**. I agree with everything as long as I am not included in the class of dummies. [Laughter.]

Senator **Adams**. Oh, no, I am just including myself. There are some very brilliant people here who do not need this.

Thank you very much, Mr. Billington. I did not come to ask questions and I did not come particularly to be a psychopath either. I just have a woeful feeling that if the chairman and yourself and Senator Hatfield do not arrive at a meeting in the minds of how those positions are justified, and I do not think you do it in a traditional fashion, that you might lose.

Senator **Reid**. I appreciate very much your statement.

Senator **Adams**. Thank you, Mr. Chairman.

Thank you, Dr. Billington.

Dr. **Billington**. May I take my leave, Mr. Chairman.

Senator **Reid**. Thanks very much for being here.

Senator **Adams**. I will spend more time with you and I am most willing to.

Senator **Reid**. We look forward to working with you.

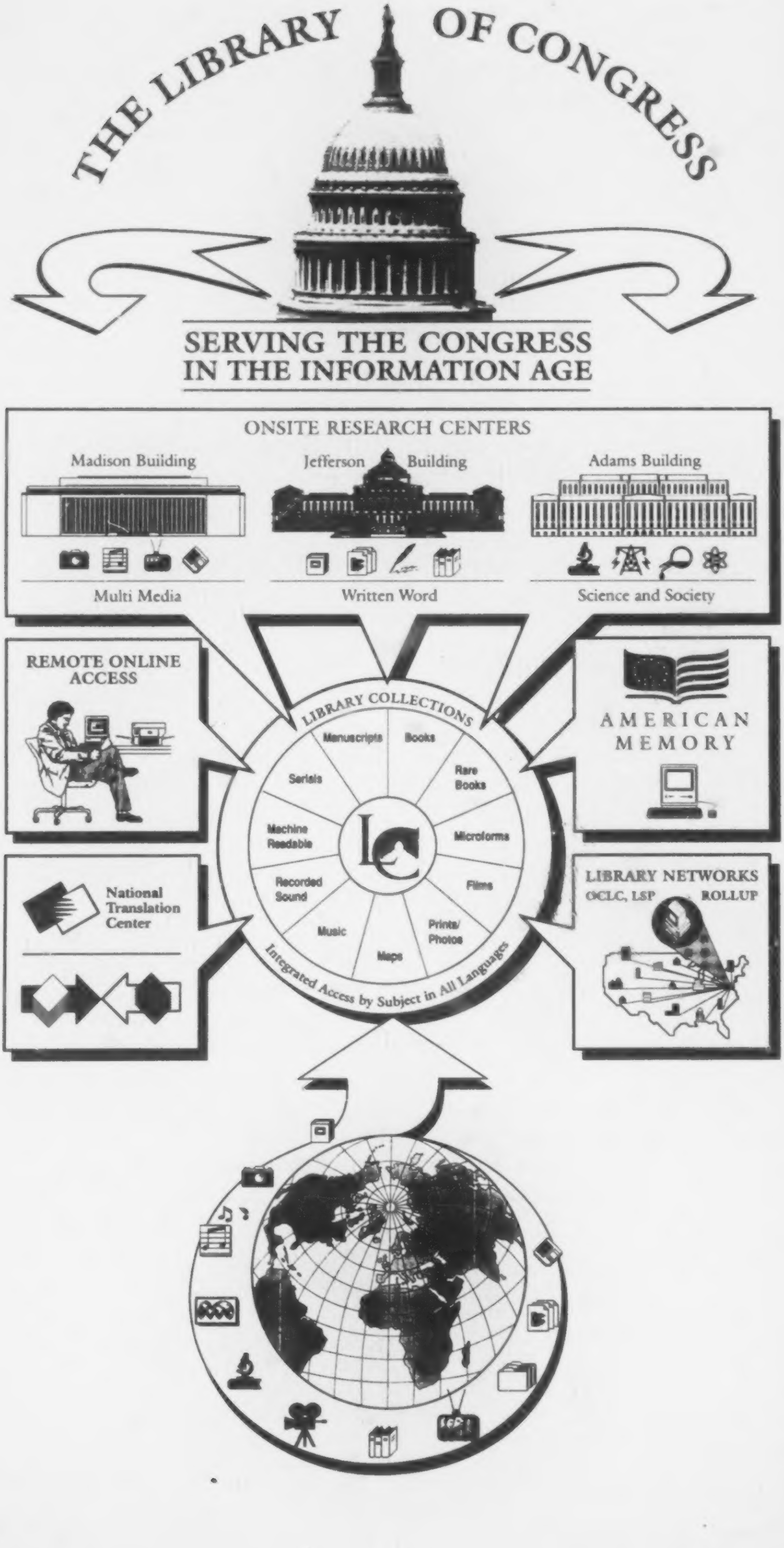
ADVICE APPRECIATED

Dr. **Billington**. Could I just say one thing in response to that. I really appreciate your advice, Senator, and we will do all we can—part of the problem is that the Library of Congress is not simply a dispenser of information. It is also a primary accumulator and storer of it and we cannot dispense information that we are not getting or that we cannot get processed. There are arrearages. There is a infrastructured backup here that I think has never been fully understood and appreciated and has been rather badly eroded by cutbacks in appropriations.

There may seem to be a fairly high overhead for the end product of dispensed information, but it has never really been adequately computed and we as the last resort library of the world and the special resource of the Congress have really a unique set of opportunities for the future if we can mine what we have here more effectively.

Senator **Adams**. I would suggest that you have at the bottom of the chart a series of vacuum matrixes that do the same thing that I was suggesting to you on the top of the sprewing out. The same thing works at both ends and it is—both of them are now computerized and mechanized beyond the imagination of this small mind.

Thank you.



THE LIBRARY OF CONGRESS
SERVING THE CONGRESS IN THE INFORMATION AGE
ONSITE RESEARCH CENTERS
Madison Building
Jefferson Building
Adams Building
Multi Media
Written Word
Science and Society
REMOTE ONLINE ACCESS
AMERICAN MEMORY
LIBRARY COLLECTIONS
Manuscripts
Books
Rare Books
Microforms
Films
Prints/Photos
Maps
Music
Recorded Sound
Machine Readable
Serials
LC
Integrated Access by Subject in All Languages
National Translation Center
LIBRARY NETWORKS
OCLC, LSP
ROLLUP

CONGRESSIONAL RESEARCH SERVICE

Senator **Reid**. Mr. Ross, do you have anything? I know you have patiently been sitting there to tell us.

Mr. Ross. Yes, sir; Mr. Chairman.

Senator **Reid**. We have a significant number of other questions. We will submit those to you in writing.

Mr. Ross. I am very pleased, Mr. Chairman, to be here to speak for the Congressional Research Services budget for fiscal 1990.

I have a statement, which has been submitted. I will be glad to briefly summarize that.

Senator **Reid**. Yes; I would like you to briefly summarize it rather than reading it.

Mr. Ross. We had a very busy year last year in CRS, the busiest in our history. We handled a total of 487,000 requests from the Members and committees of Congress, a 10-percent increase over 1987, and in addition, a significant increase in the number of analytical types of request, not just these overall numbers.

Since that time, the first one-half of this year shows that we are going to go up again in workload over 1988 and I think the process, which is historical, is going to continue.

Last year, the statement goes on to say, we had a number of initiatives that we reported on that were started 2 years ago; affirmative action recruitment efforts, which have been successful and are continuing.

CRS IMPROVEMENTS

I am sorry that I did not get a chance to talk to Senator Adams about some of the improvements that we have been making, and a new one this year, on our public policy literature file, which is an automated data base available to the members in their offices. We have created a separate CRS products data base including a one-page summary of each CRS product providing much more information about them to the Members and their staffs than was available before.

We are about to put into the system an order command in which the Member or his staffer will be able to press a button if he sees something on the screen that he wants, a product that fits his needs. He will be able to order automatically via the terminal.

When I testified on the House side on this, the Members expressed an interest in adding to the file products from the other support agencies, and we are discussing that with the other agencies, the GAO, OTA, and CBO, and that will be another addition to the file that we will be adding.

Finally, we discussed last year, and had a successful one, on our major issues planning system where we devote increased attention in an interdivisional and interdisciplinary way to the big issues that the Congress is concerned with, from arms control and AIDS to the global warming situation, the deficit reduction problem, trade deficit, and so forth.

CONGRESS IN THE YEAR 2000

And we are looking ahead as well. We have started an effort that we call Congress in the year 2000 that will involve the production of papers from demographers and economists and other scholars, on what are the issues that the Congress is likely to be facing in the year 2000? We will do a couple of seminars on this, starting with one in the fall.

And we have been involved in the Library celebration of the bicentennial of the Congress. We sponsored, along with the Commission on the Bicentenary of the House and the Senate Commission on the Bicentennial Conference entitled "Understanding Congress." It was very well received, very heavily attended.

We have produced for the bicentennial year a book entitled "Respectfully Quoted: A Dictionary of Quotations Requested from the Congressional Research Service" by Members of Congress. In fact, there is a copy here on the table, Mr. Chairman.

We have been participating in other Library programs. A symposium on knowledge, power, and the Congress was held in March.

1990 BUDGET REQUESTS RECAPPED

As for our budget request for 1990, there are three principal components, funding for affirmative action recruitment program, that I have mentioned; funding to fill vacancies. We have a smaller percentage of vacancies than does the rest of the Library. I think our current vacancy level is about 50 out of a base of about 850. And finally, funding in three nonpersonal areas, duplication of CRS products, data base access, and professional and consulting services.

We had to cut back on these three areas considerably during the Gramm-Rudman-Hollings year and we would like to continue a process begun after that to build those services up. They are necessary to efficient management of this growing workload.

The urgent need for additional funding for staff and nonpersonals is being felt as a result of absorbing the January pay raise and increased cost of benefits for those employees covered by the new retirement system. We have had to take a number of actions to avoid a deficit this year.

I have deferred filling most vacancies until next year. We have had to reduce significantly our use of data bases with still 5 months left in the fiscal year. And we have no uncommitted contract funds available to hire outside consultants for the remainder of this year.

So we are hopeful that the committee will be sympathetic to our needs for funds. We have been very grateful for the support we have had in the past. And I assure you that we are committing to make our services as efficient and effective as we possibly can.

SOURCE OF REQUESTS

Senator REID. Mr. Ross, a question that I have had a number of members direct to me concerns whether you are able to determine those requests that come from you from Senators as compared to people that may not the immediate need for the answer?

What I mean by that is some Senators have complained that they have not been able to get a response from your office, it takes too long and the answer is, "Well, we are tied up doing other things."

Mr. Ross. Well, I am sure there are instances in which we are not able to fulfill——

Senator Reid. I guess what I am asking you is, are you able to discern who is making the requests?

Mr. Ross. Well, we make the best effort that we can.

Senator Reid. Is that right?

Mr. Ross. We do have a central——

Senator Reid. To make sure it is not an intern in for 2 months.

Mr. Ross. Yes; well, we have special ways of handling the questions that are coming from interns.

Senator Reid. But are you able to determine if the questions are coming from the intern or administrative assistant or legislative director or the Senator, as compared to some curiosity the intern might have?

Mr. Ross. Yes, sir; we are able to do that and we do it quite well. And, of course, our analysts know what the issues are and they know what the Senators are concerned about and they are able to make that distinction.

Senator Reid. Well, that is good.

You are requesting an increase, as you have indicated, of some 57 additional staff, and you are asking also for funding for some consultants and expert services.

Is this because—well, I guess you have explained part of it in your statement. There has been last year a 10 percent increase and you expect a bigger one this year.

That is, I assume, why you need more help?

Mr. Ross. Yes, sir.

Senator Reid. Why do you think there is such an increased demand for your services?

Mr. Ross. I think that Members increasingly are trusting of us, want our services in an increasing way. Even though there is not a great deal of turnover in either the House or Senate, there are new Members coming in each Congress. We talk to them and tell them about our services. We talk to new staff of all of the Members on a regular basis and tell them how to use us best. And, of course, we have become more efficient in developing anticipatory products to meet what we anticipate are the needs. So we maintain a great body of reports and issue briefs and info packs that we keep up to date all the time and make it easier for Members to plug in and get the answers.

Senator Reid. I understand.

Mr. Ross. So I think we are doing a better job and that is the reason the Members are using us more.

Senator Reid. I really appreciate everyone's time here today. I think the hearing has been outstanding. I do not know if you recognized the fact to have four Senators at a hearing is somewhat unusual, at least by my experience here. So I think that speaks of the institution itself and the respect that we have for the work that you are trying to do to help us.

ADDITIONAL COMMITTEE QUESTIONS

We know that it is the Library of the Congress. So we will try to reciprocate and try to help you as much as we can. We look forward to working with you during this year. Thank you very much.

We do have written questions we will submit to both of you.

[The following questions were not asked at the hearing, but were submitted to the Library for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

Question. Dr. Billington, you are requesting $292.6 million which is a 14 percent increase over your FY 1989 available funding. It is likely that this Subcommittee and others will be faced with severe budget constraints this year so I think it important that we get a real sense of what the priorities are.

One of the major problems you identify is the erosion of the Library's staffing level. You now have a 10 percent lapse rate, and you propose to reduce this by obtaining funding to fill 223 authorized but currently unfunded positions. In addition, you are requesting 164 new positions to support the expansion of existing programs such as National Programs in connection with the Bicentennial and Library outreach efforts, and the Congressional Research Services' programs, and to implement some new initiatives such as the American Memory Project, the National Reference Service, the mass deacidification program and the creation of two additional foreign offices. We will not be able to fund all of these requests.

Does it make sense to fill the vacant positions first before the new initiatives or are some of the new initiatives so important that it would be better to leave some of the vacant positions alone?

Response. We are asking for funding for a total of 277 positions. This figure is made up of 164 new positions (111 permanent positions, 34 indefinite positions, and 15 special and temporary positions) and 113 underfinanced positions. (The funding for these underfinanced positions was lost as a result of the Library having to absorb part or all of the pay raises in the last few years.)

The funding for the underfinanced positions is requested to allow us to fill currently authorized positions which are vacant. The filling of these positions will enable us to restore some of the services that have been curtailed in recent years due to lack of funds.

The new positions are requested in order to supply the Congress and the library community with additional services through the tapping of previously unprocessed sources of information contained in the Library's collections. These additional sources of information will be highly beneficial, each in its own way, to the Congress and the library community.

The positions, both new and underfinanced, for which we are requesting funds are for programs of generally equal importance. Considering the fact that the Congress may not be able to fund all of these requests, it would be advisable to use the available funding to allow the filling of a mix of the most important projects, some requiring the funding of new positions and others requiring the funding of underfinanced positions.

Question. Can you give us your priorities?

Response. In a sense, we have only asked for top priority funding. As I indicated in my opening statement, the Library's budgets have not kept pace with inflation. We have fallen behind the rate of growth of other Legislative Branch agencies. If after hearing the case for our budget, it is your decision to reduce it, we will, of course, do our best to continue to serve the Congress and the nation as best we can within the available funds.

The Library is labor intensive, and we cannot continue to absorb ever higher labor costs with fewer and fewer people to do the work. A significant part of the salary cost recovery items is essential.

Books are essential to a library. Therefore, we must keep up with these rising costs.

Preservation of the collections we have is essential.

Automation is the present and the future of a modern library. To fall behind in this area is to become increasingly irrelevant to the modern information age.

We need collections growth space. Without a place to keep the collections, there is little point in purchasing and processing them for use.

And so it goes.

Question. You are making a number of institutional changes at the Library. Major changes usually involve the realignment of formal and informal authority, formal and informal relationships and patterns of professional and technological independence. Such changes always are stressful for participants and usually result in a period of lowered morale and performance.

Is the Library experiencing any of these problems and if so, where?

Response. The Library is experiencing stress at all levels as we try to define new ways of working together to achieve our mission. The question of lowered morale and performance is more complex. Morale at the Library has been low in many areas for a long time. The chief causes of low morale are diminishing resources with increasing workload, ineffective management support systems, widespread distrust between staff and management, and the general frustration of staff who see the enormous potential of this institution but cannot bring it to life. Performance is, of course, always affected by morale.

Last September when I began to consider the need for change, I considered also the impact in terms of organizational stress. In reviewing the typical symptoms and effects of stress with the management consultants, I realized the Library was already experiencing most if not all. (see attached list of Symptoms/effects).

There was little, therefore, to lose in morale and performance, and much that had to be gained.

Organizational Stress → Breakdown

Symptoms and Effects

- High employee turnover
- Absenteeism
- Internal politicking
- Loss of productivity
- Loss of quality
- Unreliable delivery
- Poor client relations
- No risk-taking
- Working 9 -to-5
- Passing the buck
- Eventually — shrinking profitability or losses (private sector) and mission failure (public sector)

Question. What steps are you taking or do you have planned to counteract these tendencies?

Response. The central message of our institutional changes is a hopeful one. Our mission is clear and inspiring. Our values of service, quality, effectiveness, innovation, participation, fairness and staff development and recognition are aimed directly at the problems that generate low morale and performance. We are taking steps to see that this message of hope is heard. Our plan to counteract the adverse impacts of change - even necessary change - has three basic elements: communication, participation and action.

COMMUNICATION EXAMPLES: STAFF FORUMS, COFFEES, TRANSITION NEWS, SUGGESTION MECHANISMS.

PARTICIPATION EXAMPLES: OVER 500 STAFF INVOLVED ACTIVELY IN TRANSITION PLANNING, PLANNED INVOLVEMENT OF STAFF IN RESTRUCTURING WORK FLOWS AND CAREER PATHS WHERE MORALE IS PARTICULARLY LOW (PHOTODUPLICATION, THE MAIL ROOMS, THE WAREHOUSE), SPECIAL PROJECTS TEAMS - OVER 300 VOLUNTEERS.

ACTION EXAMPLES: (MOSTLY SMALL, CONCRETE EVIDENCE OF SUCCESS. NOT MANY YET BECAUSE WE ARE JUST ENTERING THE ACTION PHASE.) AMERICAN MEMORY, WIN/WIN BARGAINING, EEO DISPUTE RESOLUTION PILOT, FAMILY DAY.

Question. I understand that the existing organizational units of the Library of Congress have been tasked to provide written mission statements to include major goals and objectives. Presumably these documents will serve as the basis for decisions on organizational design and on the status and income of the participants in these various organizations. Do you intend to measure organizational performance in terms of these written goals and objectives? If so, how?

Response. We do intend to measure organizational performance against the mission, goal and objectives developed during our transition planning. To do so, we have first developed action plans that support the objectives. We are now setting priorities among the action plans. Once we have set priorities, we will make specific assignments to individuals. We will measure performance against these specific assignments, using an experimental performance appraisal system we have developed to be tested first at the senior management level. The performance appraisal system consists of a performance plan, which specifies objectives and identifies measures for assessing the degree to which the objectives have been met. Each senior manager will draft a plan, review it with the Librarian, and adjust it if necessary to make sure the performance expectations are clear and in keeping with mission priorities. When the period of performance covered by the plan is over, the senior manager will submit a report on his or her accomplishments against the plan. The Librarian will consider this report as input to his evaluation. The Librarian's evaluation will be reviewed with the senior manager. It will serve as the basis for any changes in status and income.

Question. How will you counteract the tendency of people to over conform to these particular measurements and overlook other professional aspects of their work that may be just as important but not on the list?

Response. The main purpose of the experimental performance plan is to make sure there is a shared understanding of the most important aspects of an individual's work and to relate these aspects to specific actions to be accomplished in a finite period of time. The performance plans will list actions. But they will also reinforce the goals we have adopted throughout the Library: service, quality, effectiveness, innovation, fairness, participation and staff development and recognition. While we are making every effort not to overlook any important professional aspect of an individual's performance, we will almost certainly discover new needs in any given period of performance. These needs will be discussed and incorporated as appropriate into the performance plans for the next period.

Question. The Library is requesting funding for 113 underfinanced positions at the same time that you are saying that the Library reorganization intends to reduce layers of supervision. In your testimony you said that many of the underfinanced positions are in the lower grade and that the filling of these positions will release higher grade personnel from performing clerical type tasks and will allow them to perform more productive professional work. Can you provide us with a list of the underfinanced positions for which funding is requested? Show them by organization, grade and cost.

Response.

Organization	Grade	Number	Cost
Management Services	Pvt.	8	$ 252,507
	Sgt.	4	160,824
	Lt.	3	142,236
Processing	GS-5	11	216,171
	GS-7	4	97,349
	GS-9	11	327,493
Research	GS-5	1	20,121
	GS-6	10	224,271
	GS-9	12	365,839
	GS-11	1	36,887
	GS-12	2	88,419
	GS-13	2	105,415
Law Library	GS-6	1	26,915
	GS-12	1	46,200
Preservation	GS-5	1	20,121
	GS-9	2	57,534

American Folklife	GS-7	1	24,834
Copyright	GS-4	2	35,843
	GS-7	7	173,839
	GS-9	3	91,139
Congressional Research	GS-7	6	149,003
	GS-9	4	121,518
	GS-11	15	551,358
	GS-13	1	52,388
Totals		113	$3,387,924

New Field Offices

Question. Dr. Billington, you are planning to open 2 new overseas offices - one in Central America and one in West Africa - to increase the Library's collections of strategically important publications. Why isn't it possible to use other government agencies to obtain materials in these areas of the world?

Response. No other government agency, including the State Department, systematically acquires foreign publications at a level needed to build research collections. The State Department acquires only a limited number of publications and, in countries where the Library has a presence, it relies on our field office to find out what is being published and how to acquire it.

Question. Also, what about the possibility of contracting with individuals in the book trade in these areas rather than establishing Library of Congress field centers?

In West Africa there is no established book trade the Library could turn to. This is also true of certain parts of Central America and the Caribbean. Local book trades, when they exist, are geared for servicing the local market and are in no position to respond to the needs of American research libraries. Also, the local book trade has no access to the noncommercial publications the Library needs: government documents, private research publications, populist literature. Sometimes it is feasible to contract with a local, and in fact, the existing field offices do this for very specific tasks. But this works only for carefully defined areas and under close supervision. To contract from Washington would require so much training and on-site supervision that this arrangement would cost more in travel expenses than maintaining an on-site American. Finally, American officials are accorded entree often not available to local nationals for travel across regional boundaries.

Question. Why does each office have to be staffed with 16 people?

Response. The requests for staffing the two proposed field offices in Central America and West Africa are based on staffing in our offices in Rio de Janeiro and Nairobi. Rio handles a quantity of publications similar to that anticipated for Central America and the Caribbean. Nairobi handles a smaller quantity of publications but, unlike Rio, covers a large region similar in extent to that of the Central American office. The single American staffer is essential for strong management of the office and for effective relations with LC/Washington and the American embassy. The 15 locals staffing pattern follows that of Rio and Nairobi and is apportioned by the following activities:

A. Acquisitions
    4 professional
    2 clerical

B. Cataloging
    3 professional
    1 clerical

C. Automated processing
    1 analyst
    1 data keyboarder

D. Administration
    1 professional
    1 secretary
    1 handler/shipper

It is anticipated that the two offices may have slightly different numbers in Acquisitions and Cataloging depending on the difficulty of each activity, but the total of 15 should be adequate to give us a strong presence in each region.

Question. What is the total cost of these new field offices? What are the projected rental costs for these two field offices?

The total cost of the Central American office is $270,319, and the total cost of the West African office is $207,319. Projected rent (6 months) for the Central American office is $15,000, and projected rent (6 months) for the West Africa office is $30,000.

American Memory

Question. You are requesting 17 positions and $963,668 for the American Memory Project. I also note that funding for this project is included under a number of other Library divisions. Have you tabulated the total cost of this new initiative?

Response. The American Memory funding is requested in two places at a total cost of $1,207,668.

1. American Memory - 17 positions for $588,668 and $375,000 for Non-personals. To organize, process and catalog selected collections. (LC Justification Book: pages 79 - 85.)

2. Preservation Office - 2 positions for $73,515 and $170,000 for Non-personals. To conserve and preserve collections. Note: The request for funds to preserve nitrate and diacetate still photo negatives mentions that some of these collections would be suitable for future inclusion in American Memory. If so, the cost of making an American Memory version would be reduced by the amount already allocated to the preservation of these items. (LC Justification Book: pages 107, 108 - 109, 111, 118.)

American Memory is also mentioned elsewhere in the justification, not as a request but as an indication of importance to and integration with overall institutional activity and effort. For example, the American Folklife Center reference to American Memory connects their plan to catalog their collections with American Memory, which will disseminate selected subsets of the whole. The more the Folklife Center can catalog, the less the American Memory will cost.

Question. Who are the potential users of the American Memory project? Do we know what universities, academic departments, libraries, and other organizations would be interested in such a service? It would seem to be reasonable to know there is a demand for the service before money is invested in it.

Response. Researchers at all levels are the primary audience. The American Memory program aims to provide source materials to enrich research efforts across the nation. We envision many types of users: authors, scholars, teachers, students and curriculum developers. Many will use the American Memory workstation to develop materials appropriate to others, the indirect beneficiaries of the program. We hope educators will use the resources to create materials for their classes and invite students to use the workstation to explore their own interests and supplement the course material.

We hope to test the educational use of a prototype American Memory collection by placing one or two in school settings in late 1989 or 1990.

Of the very few multimedia interactive products available today, most are highly pedagogical and intended as teaching or training instruments. We propose a novel approach -- source materials for research use -- for which it is difficult to do advance market testing.

The Librarian of Congress hosted forums with librarians across the country. Many participants expressed a desire for improved access to Library of Congress collections. The idea for the American Memory program conceived in these forums crystallized in a meeting held by the Librarian with heads of all the divisions of the American Library Association. The program is intended to meet the expressed needs of the library community and those the community serves.

During this year of program planning, we are surveying libraries as to their interest in the program and their views of how it could be most useful. We are asking for opinions on the placement of the American Memory workstations, the equipment we should use, and, most importantly, the collections which would be most appropriate for inclusion in the program.

On March 9 we mailed a questionnaire to the chief officers of state library agencies. To date, we have received responses from 45 states. We hosted a meeting of the Chief Officers of State Library Agencies to further discuss the project with some of these state librarians.

97% said that it would be useful to have large collections of research materials available in an optical format for ready access in libraries. Moreover, all respondents said that having access to the American Memory collections would be useful to libraries in their state.

Most respondents indicated that they would be willing to be considered as a potential test or demonstration site during the pilot phase of the American Memory project. They said they would be willing and able to publicize the project to libraries in their state, to provide demonstrations, and to provide training in the use of the equipment.

Several state librarians took the time to write comments indicating that they were very interested in being involved with the project.

The Association of Research Libraries (ARL) invited (at their expense) American Memory program staff to their conference, held May 10, 11, and 12, 1989, to present the plans for the American Memory program to their membership which consists of the top research libraries in the country. ARL members will be encouraged to help with planning so that the program will provide maximum benefit to research libraries. A survey was sent on May 11, 1989, to 101 of these research libraries.

In the unlikely event that American Memory should not be successful, the money that will fund the cataloging, indexing, and preservation of Library collections which are part of the Library's unprocessed arrearages will still have been well invested.

Question. What would it cost a library to buy the equipment required to use the American Memory collections? Would there be a user charge?

An integrated American Memory workstation will consist of a microcomputer and printer, a television set, and videodisk and CD-ROM players. The system we are using for the prototype has been for the most part donated by Apple and Pioneer and represents about $12,000 in value. Many workstations in libraries could be less costly than the prototype.

We envision initially a fully integrated workstation in one or two core-group Libraries in each state. We will work with the computer industry to encourage donation or reduced costs of the hardware. We will help the libraries to work with their local support groups and to get grants or donations from the private sector to support the acquisition of a workstation. The American Memory products themselves would be made available at no or modest cost to these core-group institutions. Most states have sophisticated library networks to share their resources and have mechanisms for supporting school libraries. In this way, American Memory will be within the reach of everyone in the nation.

Individual American Memory collections will be disseminated beyond the core group through cooperative partnerships with publishers. These institutions will be able to acquire hardware on their own. Many already have most of the components necessary for an American Memory workstation. Libraries desiring a single collection would have significant lower cost workstations (e.g., a library interested in photograph collections only could get by with a video disk player and a television monitor; a Library interested in textual materials only would need a micro and a CD-ROM player.)

We hope that American Memory products will be used on a variety of types of hardware from a variety of manufacturers. We want to encourage the use of standards which allow others to create similar products to be used on the installed hardware. There may be very advanced workstations to enable large research institutions to take full advantage of the collections, using full color, large size, high resolution monitors and high speed computers. School and public libraries may opt for a simpler workstation which would give them access to the collections at lower cost. Once this sort of hardware is in place in libraries across the country, other institutions will produce materials to further take advantage of the workstations increasing the value to libraries.

Each library could determine what fees if any would be passed on to the users. Typically libraries charge 10-25 cents for photocopies and may want to charge similarly for copies from the American Memory workstation. In most cases, American Memory materials will be in the public domain, but in other cases we may need to collect fees for the use of copyrighted materials as per agreements with the copyright holder. Each library could determine whether to pass the charge on to the users.

Question. What are the prospects of libraries in Las Vegas, Reno, Elko and Ely, Nevada, using the American Memory collections?

Response. Joan Kerschner, the Nevada State Librarian, who works with 69 public libraries, 6 college and university libraries, 291 school libraries, and single and multi-type library systems in the State of Nevada, feels that it would be useful to Nevada libraries to have large collections of research materials in optical format for ready access in libraries. She thinks that full text searching and the ability to print materials or incorporate them in documents is very desirable. More than 75% of the libraries in Nevada already have microcomputers and between 50% and 75% have CD-ROM players.

Moreover, Nevada has an on-line state-wide network to which almost every library in the state is tied. The two major cities of Las Vegas and Reno, as well as the smaller communities of Elko and Ely are all included in this on-line computer network. It includes a circulation system and an on-line cataloging system and can be employed to facilitate resource sharing. This will help spread usage of American Memory materials throughout the state.

Nevada libraries, especially in smaller communities, serve as cultural centers for their communities. American Memory would be a welcome addition to their services.

The state librarian is very enthusiastic about the American Memory project and indicated that she would like to have the Nevada State Library and Archives considered as an American Memory demonstration site.

National Reference Service

Question. You are requesting 8 additional positions and $212,050 for the National Reference Service through which research and reference inquiries will be referred within the Library and to state and local libraries. The justification states you are now handling 750,000 public inquiries by telephone and correspondence. Why do you need additional staff if current staff is now performing this function?

Response. The 750,000 inquiries are now being handled by reference and subject specialists at the GS-11/12 level. The eight requested positions (GS-9's and GS-5's) would free the senior reference librarians to evaluate and acquire materials for the collections and provide better answers to the more complicated questions when their expertise is needed.

Preservation of Library Materials

Question. You are requesting $731,684 and 12 additional positions for advanced preparation of the book collections for the start-up of the mass deacidification project in calendar 1991. How much has been appropriated for this project to date and how many positions have been provided?

Response. A total of $13,950,000 has been appropriated and an additional $1,514,000 has been reprogrammed from other sources. To date the Library has obligated about $9.4 million in basic research and engineering development. No new positions have been authorized.

Question. Could you use contractor staff or temporary staff to perform this work?

Response. The Library's plan calls for the contractor to handle all work under the actual DEZ processing. The positions that the Library is requesting are for the processing of the materials to be treated before they leave the Library and after they return to the Library. In general, it would be wiser to use trained Library staff to handle books in our collections than to use outside contractors. However, contracting could be discussed as the staffing arrangement for the materials handling effort is planned.

Question. We understand the Library is planning to contract with a private entity for the mass deacidification effort. The Library has the patent on the DEZ deacidification process. If the contractor utilizes the DEZ process, how are you assuring protection of the government property rights of this technology? Will the Library be getting some sort of royalty fee or reduced cost break because of its ownership of the patent?

Response. The Library is working with the National Technical and Information Service (NTIS) in the Department of Commerce to license the DEZ technology worldwide. It is envisioned that this license agreement will bring donations back to the Library from the company or companies using the process. Under the Gift and Trust Funds Act these funds would be used to support preservation research activities at the Library.

Question. What is the status of the Library's bid process for the deacidification process?

Response. The Library's Procurement and Supply Office has been working with the General Accounting Office and outside procurement experts to put together a request for proposal package to bid a deacidification contract for the Library's collections. Our current schedule is to have this bidding process go forward this summer.

Question. When does the Library expect to award a contract?

Response. Assuming that the bidding process goes smoothly we would expect to award a contract during the first quarter of FY 1990.

Question. How long will it take to construct a deacidification plant?

Response Our best estimate is that it should take 16 to 20 months to construct a contractor-owned plant.

Question. How long will it take to test out the plant to meet specifications in the contract?

Response. Our best estimate is that it could take 3 to 9 months to start up the facility and get it into a fully operational phase.

Question. What are the treatments that are necessary to preserve the materials to be used in the American Memory program?

Response. The specific treatment that would be used for collection items in the American Memory program would depend on the type of material and its condition. With the National Intelligencer, for example, paper leaves are typically washed and deacidified and mended as appropriate.

Question. What are the treatments to convert American Memory materials to optical disk?

Response. American Memory will contribute to the conservation and preservation of Library collections by treating materials as a part of the project's overall production process. That is, as identified collections are organized and indexed for dissemination, they will receive conservation and preservation treatment according to normal Library of Congress practices. It is worth noting that the American Memory disk products will be surrogates and their use will reduce the amount that original materials are handled, thus protecting them against undue wear and tear.

Different collections will be prepared in different ways. Photographic collections, for example, would be prepared for American Memory in a way that would allow for conservation treatment (placing originals in special storage media) and/or preservation copying (making a photographic copy). The preparation of manuscript collections would call for conservation treatment (examining individual sheets to see if special strengthening or encapsulation is called for, and placement in appropriate storage containers). Historical recorded sound collections would be prepared by copying into a current audio format.

Question. In what way does conversion to optical disc pose a hazard to original materials?

Response. Conversion will pose no more of a hazard to collections than any other form of copying (microfilming, photocopying, photography, conversion to video, etc.). It is worth noting that some of the collections selected would in time be copied in any case, i.e., a microfilm or some other surrogate would be made to service the collection. For certain collections (notably photographic) the final electronic conversion for American Memory will be executed from a copy and not the original. In cases where the original is to be copied, scanning equipment will be first evaluated by the Library's preservation specialists.

Question. What are some of the typical unit costs of converting to disk format?

Response. The costs of preservation copying and conversion to distributable optical disk vary greatly. A collection of small-format photographs of uniform size, for example, can be copied at a rate of from $2 to $4 per image (including the production of a copy negative). In the case of rare historical photographs like daguerreotypes (mirror-like images on silvered metal), however, costs will be on the order of $35 per image because of the special handling for copy photography and special storage media required. The costs for textual materials that are to be rendered in machine-readable form will reflect the specific legibility of the original and will range from $2 to $5 per page. The costs for conversion of sound recordings are estimated to run from $125 to $175 per hour, depending on the level of difficulty.

Question. What are some of the specific items that you plan to convert to optical disk for the American Memory service and what would it cost?

Response. Two collections planned for American Memory are a group of about 1,500 rare daguerreotype photographs and a twenty-hour segment of folk music from ethnic groups in Northern California. The costs for conservation storage and the production of preservation-quality copies of the daguerreotypes will be about $52,000. The cost of pre-mastering and mastering an optical disk of the sound recordings will be about $4,000. The cost of mastering a set of disks containing the recordings has not been determined because various methods are being compared.

Question. We note that the Library has an extensive motion picture program. What does this cost the Library each year?

Response. The FY 1988 costs were as follows:

a. WPAFB Lab & Vault staff (salaries & benefits)	$ 445,000
b. Other M/B/RS staff (Suitland & Madison) working on nitrate film preservation (salaries & benefits)	$ 352,000
c. Non-personal expenses (Preservation of Deteriorating Motion Picture Film)	$ 508,000
d. Support agreement with WPAFB, Ohio	$ 53,000
Total cost	$1,358,000

Cost per foot: $.45 per foot of safety film produced.

Question. What is the value of your nitrate motion picture conversion program to the motion picture industry?

Response. If the nitrate is in our vaults, even if the industry does not want a safety copy at a given time, they are saved the cost of maintaining, staffing, and - as necessary - surplusing deteriorated nitrate film.

If the industry wishes a copy of our nitrate-to-safety transfer, they can acquire it and save themselves the cost of copying the nitrate. Most often, if the Library has retained the nitrate the industry borrows it and makes their own safety copy. If we do not have the nitrate, they request a copy of our safety film.

Question. Does the motion picture industry make any contribution to help finance this preservation effort?

Response. The industry makes no contribution to our nitrate-to-safety preservation program. They do pay for the actual expense of handling, packing, and shipping when borrowing the nitrate, as well as the cost of the safety copy if they buy a copy of our safety transfer. There is no dollar contribution to our preservation program. Through the conservation of older films done by the Library and other archives, the commercial companies have been able to recover and restore their older products. In return, these companies have helped us to complete our own restoration work through loans to us of materials missing from our archives.

Question. You have other reimbursable programs for which you charge other agencies. Have you considered levying a fee for this conversion service?

Response. If nitrate is transferred to safety at the request of the industry, they are charged the costs of such conversion. We are presently negotiating a charge with one major distributor - in cash or kind - for servicing requests for returning film to companies for non-LC conversion.

Question. Since this deteriorating photo negative project is so similar to the motion picture conversion process, why not merge this effort with the motion picture preservation program and be funded with those existing funds?

Response. The deteriorating photo negative project is not really similar to the motion picture conversion project. It is true that the chemical composition of the nitrate movie film and the nitrate negatives is similar but there are two different types of negative formats. The copying of a movie film is a complex and technical procedure which requires a high level of expertise and sophisticated equipment. The copying of flat nitrate negative requires routine photocopying equipment and can be contracted out to a qualified vendor. In addition, there are not enough funds to adequately cover meaningful activities for both of these projects in the motion picture program.

Automated Systems Support

Question. What is the Library's Strategic Information Systems Plan? Please provide a summary of the Strategic Information Systems Plan and its implications for equipment and software acquisition.

Response. The Strategic Information Systems Plan (SISP) presents a direction for automation at the Library. This direction includes management goals and objectives, a description of the Library as an enterprise, a high level description of Library data and applications, an automation option for the Library to pursue, a migration plan to achieve the chosen option, and recommendations which address future planning activities of the Library.

The SISP implies an upgrade in equipment and software, including replacing the Library's major information systems with modern database software ($600,000 purchase in FY 1990), moving to a computer-aided software development environment, introducing new storage media such as optical disk, and creating a flexible technology platform able to integrate future technology options in support of the Library's mission.

Furthering this vision, the Library will be taking major strides toward the following objectives:

Maintaining a consistent, user-friendly approach to delivery of comprehensive responses from the Library's voluminous and complex information resources;

Providing Library-wide management information systems to support Library administration;

Implementing data and "knowledge" management systems applicable to all Library functions;

Establishing a telecommunications system to support networks, voice, data, graphic and multi-media communications;

Developing the capacity to conduct applied research in library-related information systems technologies;

Providing new and enhanced print and electronic services drawn from the unique resources of the Library of Congress collections.

The Library of Congress will become a leader in the development of user-friendly and highly integrated electronic library systems for interactive research, information retrieval, data storage, and the distribution of cultural products.

Question. What is the current mix of the Library's data processing equipment? Provide a table of the number of units, for example, main frame, minicomputers, microcomputers, ADP workstations, terminals, etc..

Response. The key items in our equipment mix are as follows:
Mainframes: Amdahl 5890; 128 megabytes memory, 96 channels, 60 mips
IBM 3084-QX4; 64 megabytes memory, 48 channels, 28 mips

Mainframe disk drives: 224 drives, 127,500 megabytes storage (Amdahl, IBM, CDC)

Minicomputers: 3 Data General MV10000; each 8 megabytes memory, 2 channels, 2 mips

Minicomputer disk drives: 11 Data General Disk Drives

*Workstations: 2,300 terminals (Comtern, Northern Telecom, Data General, Visual 300, Sycor)
1,200 Microprocessor (PC) workstations

* A workstation may be a terminal, a printing terminal, a microcomputer with a printer, CD-ROM or some combination of this equipment.

Question. Have you considered contract services for these functions?

Response. The Library of Congress is in the process of resystematizing its major computer applications which involve hundreds of millions of computer records, millions of lines of codes, and the principal departments/functions of the Library. In this process, we have our Information Technology staff of systems analysts/programmers working with the key user staff (departments) to develop integrated systems that will provide capabilities of information access and retrieval for all segments of the Library, the Congress and our using public. As part of this integrated system design, which has needs unique to the largest library in the world, we have contracted with system design houses (Arthur Young), software houses (Knowlegdeware, Computer Associates, et al), and system integrators (Integrated Automation) to work with us as part of a team to help accomplish this large undertaking.

Question. How are you planning for the Library's computing requirements? How do you determine what the best mix of equipment and systems is to meet the Library's needs? Who does the alternative analysis to meet these requirements? Has the Library consulted with other agencies in its automation planning?

Response. The process described above results in detailed requirements that are produced using the Computer Assisted System Engineering (CASE) tools. These requirements are generic and hardware/software independent. Our approach for selecting both hardware and software vendors is to concentrate on open system architecture that permits connectivity between equipment and portability of software between computer platforms. The Library not only consults with other federal agencies in Automation Planning (National Security Agency, National Library of Medicine, Department of Agriculture, General Accounting Office, etc.), but also we are taking the lead to help organize a Federal Information Engineering Users Group to share the latest technology and technical experience in our industry. Finally, the Library contracts with other federal agencies to perform data processing work for us when they can perform it more expeditiously than we can. Our payroll and personnel record keeping activities will be performed under contract by the Department of Agriculture at their New Orleans Finance Center.

Question. To what extent does the Library of Congress cooperate with other Legislative Branch agencies in the use of data bases, time sharing, acquisition of equipment, and other areas where pooled resources might achieve economies?

Response. The Library of Congress does provide access to its data bases for the other Legislative Branch agencies. The Senate, the House of Representatives, and the Library of Congress each contribute information to the Legislative Bill Status System to avoid unnecessary duplicate data entry. The Congressional Research Service in the Library of Congress uses the House Information System and the Senate Legislative System. Telecon cooperation between legislative agencies has been initiated under the auspices of the Architect of the Capitol. The Library of Congress has worked with the House and Senate at different times to benefit from contracts for equipment acquisition, and they also have used some of our contract agreements to obtain equipment.

Question. On page 131 of your justification, $600,000 is requested for computer software. Is this software to be purchased or leased? Explain the need for this requirement.

Response. The $600,000 requested for computer software is to acquire a vendor developed and supported database management system as part of implementing our Strategic Information Systems plan. Since we would use this kind of software as a major component in building new applications, we would have it for a number of years. Leasing this kind of software for more than 3 to 4 years is not economical. The alternative to buying a vendor supported database management system would be to build our own. This would be very costly to develop and maintain.

Question. On page 133, $1,600,000 is requested for ADP workstations and related computer software. Why are you purchasing this equipment and software; why not lease or contract for these items?

Response. Before we acquire new equipment, we analyze the most cost effective approach - lease or purchase. In the current market, one would only lease ADP workstation equipment if it were to be used for some short-term special project. The lease cost exceeds the purchase price for most workstation equipment between the twelfth and eighteenth month of the lease. The workstation equipment requested in the FY 1990 budget is projected to have a useful life of five years in the Library.

Optical Disk Program

Question. You are requesting $50,000 for two optical disk workstations ($25,000 each). What is the program objective of the Optical Disk program? Is it for preservation or is it to convert large quantities of collections to optical disk for reader use?

Response. The Optical Disk program at this time has twin objectives: to provide easier access to selected parts of the collection because of technical possibilities for full text outline, as well as to identify parts of the collection for which this technology may assist in meeting preservation objectives.

Question. What is the cost of converting materials to optical disk?

Response. Costs of optical disk scanning versus traditional microfilming is an issue we continue to review. Many of the document preparation steps in each process are similar and consequently the costs are similar. In a 1987 study we did, the optical disks costs were shown to be twice those of microfilming, primarily because of the disproportionate costs of the optical disk hardware. However, the architecture of the Library's optical disk system at that time was not optimized for maximum "throughput". After the CRS SDI system is fully operational in 1990, using up-to-date equipment, we will update our cost analysis. This will provide a more realistic view of the comparative costs between microfilming and optical disk.

Question. Does the optical disk technology offer a more cost effective alternative to traditional storage and retrieval of hard copy library materials or is it too expensive for general applications to library services?

Response. An internal study (1987) showed image capture costs under favorable assumptions at about twice microfilming costs - some costs in this calculation have fallen since 1987. University Microfilms Incorporated has estimated disking costs as being as much as seven times microfilming costs.

Neither cost estimate factors in cost savings permitted by the portability of digital data: for example, cost savings on xeroxing clerks and messengers now required by CRS for its microfiche based SDI service to Congress.

Costs comparisons between optical disk and microfilming are unfair because the service that results from the two media is not comparable. It's comparing a bicycle to the Concord! a bicycle will get you across the continent and is cheap, but most people would fly if speed and ease are vital to the trip. We think enormously enhanced speed and easy usability are vital to our service to the Congress, even if the cost of providing the service is somewhat higher than greatly inferior alternatives.

Question. How much information can be stored on an optical disk?

Response. Disks vary greatly in size, just like books. They range from one-half billion bytes of data on a five inch CD-ROM to four or more billion bytes of data on 12 inch disks. We can put the text of perhaps 300 books, with full indexing for each word, on a CD-ROM and 7,000 pages of images of magazine articles on the 12 inch disks that CRS will employ in its SDI service. Space requirements for images are much greater than for text.

Management Services

Question. You are requesting $555,567 to fill 15 authorized but currently unfunded positions for the Library of Congress police force. Why does the Library of Congress have a separate police force.

Response. When the Library of Congress was removed from the Capitol to a new and separate building in 1897, the guarding of the Library's collections became the responsibility of watchmen under the administrative direction of the Superintendent of Library Buildings and Grounds. In 1950, Public Law 659 was enacted which allowed the Librarian of Congress to designate employees as special policemen for duty in connection with the policing of Library buildings and grounds and adjacent streets. In 1987, Public Law 100-135 changed the name from "special police" to "police".

Question. Why can't the Capitol Police Force perform this function?

Response. Although the principal mission of the Library is to support the Congress, the Library as an organization has a different focus, and functions in a totally different way from the institutions of Congress itself. For example, the focus in most Congressional buildings is in screening who and what enters the buildings; the focus in Library buildings is screening what goes out. This is just a surface difference, but it is indicative of the totally different control measures needed to support the operations of the Library. The particular mission of the Library and its rules and procedures dictate enforcement by a group of people dedicated to the Library.

There are no apparent cost or position savings in making the Library Police an operating detachment under the Chief of the Capitol Police. To do that would greatly expand the already extensive span of control involved in the operation of the Capitol Police Force and would create control problems for the Librarian of Congress.

Question. You are requesting $150,000 for police training because you are no longer going to require prior police experience. Why have you deleted this requirement?

Response. There have been no supervisory promotions on the Library's Police Force since 1982 because of a settlement agreement made that year. Steps are now being completed to appoint supervisors. Formal training within the Library for newly selected supervisors is not feasible. There is no in-house expertise for police supervisory training. Police supervisory courses have been identified at civilian institutions for these individuals.

The vacancies at the Private level will be filled under validated selection procedures as required by the settlement agreement. These procedures do not require prior police experience as in the past. Therefore, newly hired police will have to undergo extensive training on police procedures, laws, etc..

Question. What is the status of the Library's efforts to revise the financial accounting system?

Response. The Library's Financial Accounting and Reporting System (FARS) has been in production since October 1986. FARS is an off-the-shelf software general ledger package which was developed by Computer Data Systems, Inc. (CDSI). FARS is a Federal government accounting application which uses the appropriation as its accounting basis and provides funds control at predetermined levels. Since the implementation stage, various systems enhancements have been proposed and are in various stages of completion. For example, the appropriated status of funds report has been modified to readily display prior year summary data along with actual and estimated reimbursement data. The gift and trust status of funds report has been modified to include additional investment data and receipt data. An ongoing project includes enhanced security which provides additional security restrictions by funding structure and vendor number. These restrictions permit controlled distributed access to FARS. Additional provisions are being made to allow users on-line access to FARS using an artificial intelligence language, INTELLECT. This will provide cost center managers with current financial information in various formats and detail. Enhancements are also being made to provide users with detailed financial data which supports monthly financial statements.

Question. How does the Library's financial system relate to the implementation of a Government-wide accounting system?

Response. GSA has approved two off-the-shelf accounting systems which meet the Core Financial System Requirements (necessary for implementation of a Government-wide accounting system) as defined by the Joint Financial Management Improvement Program in January 1988. Version 2.2 of FARS used at the Library is the predecessor of version 3.0 currently on the GSA schedule of approved off-the-shelf accounting systems. The FARS system at the Library generally meets these same core requirements with some significant exceptions for the following identified areas:

-Level of Program Classification requirements (six are required, four are met).
-Level of Organizational Classification requirements (six are required, three are met).
-Integrated accounts payable and purchase modules.
-Automated accounts receivable billing functions.
-Differences in the Chart of Accounts coding structure.

Question. What is the status of the National Finance Center (NFC) conversion of the payroll/personnel system?

Response. The Librarian of Congress, in March of 1989, after a year of review and evaluation, decided the Library of Congress payroll/personnel process would best be served by the National Finance Center. Since that time a team has been assembled which has been working to prepare payroll/personnel data for conversion. In mid May the team will meet with NFC staff to develop an implementation outline for all tasks required to convert the system. The target date for total conversion is June 1990.

Question. What are the cost savings?

Response. The Library team appointed to evaluate the NFC projects a savings of $1.3 million in operating costs over the next 5 years. These savings follow the necessary investment of approximately $500,000 in start-up costs.

Question. What are the advantages of the NFC system?

Response. Some of the primary advantages are:

-The current Library payroll system is outdated, difficult to modify, and lacks documentation. In 1982 the Library determined that major modifications to the system were impractical.

-There is a major risk in continuing to meet deadlines for additional payroll changes to the system. The NFC system is a highly automated, integrated payroll/personnel system and substantially eliminates this risk.

-The Library's system is not integrated, and data entry into systems causes many errors and duplication of effort. The NFC's shared payroll/personnel database eliminates these problems.

-There are currently 22 labor-intensive, manual processes in the Library payroll system which contribute to considerable backlogs and overtime. These processes will be automated by the conversion to NFC.

-The Time and Attendance process will be improved by significantly reducing the number of labor hours required to input bi-weekly attendance data.

Office of the Librarian

Question. You are requesting 2 GS-11 Investigators in the Office of the Inspector General. Your justification indicated that "because the investigations have to be performed by auditors, the investigations have been cumbersome, drawn-out and not completed timely. Also, most auditors do not know the limits to which an investigation can be extended without jeopardizing the government's position." What is the total staffing of the Inspector General's Office?

Response. The Inspector General's Office consists of 11 staff members. The Inspector General, a Deputy Inspector General, an Assistant Inspector General for Management Studies, six Auditors (only three are journeymen), one Office Assistant and one Secretary.

Question. What kind of investigations have been carried out? Specifically which ones have been cumbersome, drawn out and not completed, timely?

Response.

80-NN	Vendor pre-selection on a CRS contract
84-NN	Embezzlement of government funds by a Library employee
85-NN	Discriminatory conduct by a Library manager

85-NN	Conspiracy to discriminate against an employee in the work place
85-NN	Abuse of official position by a senior Library manager
85-NN	Misuse of government funds by various Library employees
85-021	Abuse of time and attendance by a Library employee
86-202	Abuse of official travel and time and attendance by a Library manager
87-202	Abuse of official travel and theft of government funds by a Library manager
87-205A	Misuse of government telephones by two Library employees
87-205B	Contracting irregularities
87-402	Abusive labor practices and violation of Federal and Library regulations
88-201	Abuse of time and attendance by Library supervisor and 14 employees
88-202	Misuse of government telephones by various Library employees
88-206	Abuse of official position by Library manager and theft of government property
88-209	Abuse of official position by Library employee, misuse of government mail and theft of government property
88-210	Improper contractual relationship with contractor
88-211	Loss of government funds by a senior Library manager
88-808	Abuse of time and attendance by three Library managers
88-812	Abuse of time and attendance by a Library supervisor and 13 employees
89-203A	Contracting irregularities
89-204	Loss of government funds by various Library employees

All investigative assignments completed timely or currently in process. However, substantial work flow disruption was experienced with planned and on-going audits.

Question. Provide a list of cases in which auditors have compromised the government's position. What personnel actions have resulted?

Response. To date there has been none, because both the Inspector General and the Deputy Inspector General personally supervise all investigative activities being performed by the audit staff or perform the investigations themselves.

Question. Why not train current staff in correct investigation procedures?

Response. Correct investigation procedures are developed through many years of training and on-the-job experience. The current staff could be trained. However, this training takes time and while it is being undertaken, the Inspector General's Office would lose the individual's audit productivity. Two investigators are sorely needed by the Inspector General's Office, to develop a full-time investigative strategy for the Library.

Question. Provide a list of waste, fraud, and abuse cases in the past two years.

Response. Fraud/abuse cases include those previously mentioned and the following audits, concluded in the last two years, where significant waste was identified:

84-002	Operations of the Nitrate Film Conversion Program
85-003	Activities in the Cataloging Distribution Service
85-017	Telex Contracts LC-2032/2342 for NLS/BPH
86-004	Activities in the Procurement and Supply Division
86-713	Operations of the Nitrate Film Conversion Program
86-204	Inaction related to the LC Police Centers
88-205	Activities in the FMO/FARS
88-1007	Operation of revolving fund program in the Publishing Office

Question. Have any of these cases resulted in personnel and/or criminal charges?

Response. A number of personnel actions have been taken against employees by the Office of the Personnel Counsel. No criminal charges have resulted to date against employees as a result of internal investigations; however, the determination to make such a charge is not made by this office. Additionally, many employee reassignments, resignations and premature retirements have also occurred as a result of investigations.

Question. For the Office of the Librarian, provide a list for the last three years (FY 1987, 1988, 1989) of special training, the objective of the training, the skills obtained, and the cost.

Response.

Fiscal Year	Actual Obligations
1987	$15,939
1988	$ 6,351
1989	$ 6,125

This budget supports the job related training needs of a staff of over 100 employees. Typical expenses include: training in audit skills for the Inspector General's staff, automation and word processing training, selected outside management institutes, and office skills courses.

Building Rental

Question. You are requesting $2,088,000 for a new storage facility and shelving. How much shelving space (in linear feet) was in the Thomas Jefferson and John Adams Buildings prior to the construction of the James Madison Memorial Building?

Response. Thomas Jefferson Building - 547,325 Linear feet.
John Adams Building - 954,850 linear feet.

Question. How much did the James Madison Memorial Building add?

Response. 1,305,000 linear feet.

Question. Why are we running out of space at this point?

Response. The Madison Building planning began over 20 years ago. The eventual size of the completed building was less than originally intended and the size of the staff and collections have grown significantly over that span of time. A detailed study of stack space occupied by collections and of collections growth rates was conducted in 1987 after observing that some collections space was nearly full to capacity. Projections were carried through 1992 which indicated there would be no space left to shelve books. Given the lead time necessary to develop such a facility, the request for appropriated funds was first made in the Library's FY 1989 budget.

Question. How many additional linear feet of shelf space are required each year?

Response. Approximately 25,000 linear feet for classified collections. Space for special formatted collections is difficult to quantify in terms of linear footage and varies from year to year in relation to the acquisitions programs initiated. Certainly they can accumulate at rates that would occupy up to several thousand square feet a year.

Question. How many linear feet of shelving are now available?

Response. Overall, about 80,000 linear feet for classified collections but some classes of books are at shelving capacity. There is very little growth space available for most of the special collections.

Question. Has the Restoration and Renovation project reduced storage space; if so, by how much?

Response. Only by a few hundred linear feet where mechanical equipment has been placed on the fringe of bookstack areas.

Question. What kinds of materials are now stored in sites off Capitol Hill?

Response. Copyright deposits, special collections, and furniture and equipment.

Question. Are there alternatives to storage, such as optical disk?

Response. Although the Library receives increasing amounts of material each year on microforms and is experimenting with optical disk technology, several hundred thousand books a year are added to the collections. The acquisition of microformatted materials is in such small proportion to the printed materials that the long term growth of the book collections is only minimally reduced.

Question. Is it necessary to lease additional storage space locally? Why would it not be feasible to store these materials in lower rent areas of the country?

Response. For classified and some special collections we need space within 20-30 miles of the Library. Some special collections can be removed to greater distances. Microfilm is stored underground near Pittsburgh at a cost of approximately $7 per square foot. With direct leasing authority the Library could lease warehouse space in the Washington Metropolitan area at about the same rate. Motion picture films could ideally be stored underground in the mid-west at approximately $3 per square foot. The Library is evaluating underground storage possibilities.

Copyright Office

Question. What is considered to be a timely processing of a copyright claim?

Response. No more than 5 weeks.

Question. How many copyright claims are received in a fiscal year? How many thus far this fiscal year and projected through the end of FY 1989?

Response. In FY 1988 we received 628,000. Through March 31, 1989, we have received 321,109. We estimate that we will receive approximately 640,000 for the whole of FY 1989.

Question. Explain Public Law 100-667, the Satellite Home Viewers Act, and how it translated into additional workload for the Licensing Division.

Response. The Satellite Home Viewers Act of 1988 added a new section 119 to the Copyright Act that created a statutory license for certain secondary transmissions made by satellite carriers to home dish owners for private viewing. The new compulsory license requires establishing a Network Name and Address File, a Satellite Carrier Voluntary Agreements File, semi-annual fillings of the Statement of Account with the royalty fee payment, and a financial accounting of royalties to the Copyright Royalty Tribunal. The Licensing Division will collect the royalties and, after deducting its operation costs, will invest the balance in U.S. securities as provided by the new law. The Copyright Royalty Tribunal will distribute the fees after copyright owners file a claim with them during the month of July each year. Section 119 now provides for a monthly royalty fee of twelve cents per subscriber of each superstation received from a satellite carrier, and three cents per subscriber for each network station received. However, network signals may only be delivered to "unserved households".

The new satellite license, which became effective January 1, 1989, created an additional workload for the Licensing Division. The Division was charged with the responsibility for the collection, deposit and investment of the additional monies; examining and processing statements of account filed by the satellite carriers; and responding to public inquiries regarding the new compulsory license public records. The FY 1990 budget requested $50,000 in overtime for the new program to handle the training, design of the Statement of Account form, and general preparation for determining the new policies and procedures.

Question. Explain the following using examples:

Cablevision case - major findings
Berne convention

Response. Cablevision case - major findings - In January of 1988, the Court of Appeals for the District of Columbia Circuit announced its decision in Cablevision Systems Development Corp. v. Motion Picture Association of America, 836 F.2d 599 (D.C. Cir.), cert. denied, _ U.S. __, (1988). The case involved a dispute over the correct interpretation of the Copyright Office's regulation defining gross receipts for the basic service of providing secondary transmissions for purposes of the Copyright Act's cable compulsory license. Cable system operators argued for an interpretation that would reduce the amount of gross receipts they would be required to report pursuant to the license, thereby reducing their royalty fee obligations. They won their point at the district court level, when the court ruled that the Copyright Office's interpretation of the statutory term "gross receipts" was overbroad and incorrect. However, the Court of Appeals overruled that decision, finding the Office's interpretation of gross receipts was reasonable and justifiable, and acknowledged the Office's authority to interpret the terms of the compulsory license.

In reliance upon the district court's ruling in Cablevision, many cable systems underpaid their royalty fees. After the Court of Appeals vindicated the Copyright Office's position, however, these systems were required to amend their initial filings and submit the balance of royalty sums. These submissions, representing $103 million, required considerable time and effort from the Licensing Division of the Copyright Office to review and file. Also, in the wake of the Cablevision decision, the Copyright Office adopted an interest rule to apply to any underpayment of royalties by cable systems occurring on or after July 1, 1989. It is anticipated that collection of interest payments will result in a significant consumption of the labor resources of the Licensing Division. However, it should be noted that, pursuant to the statutory terms of the cable compulsory license, all expenses for administering the license and collecting royalty fees are deducted by the Licensing Division from the total amount of royalties received.

Berne Convention - Referred to by the name it gets from the city where it was signed 103 years ago, the Berne Convention is the oldest and most widely respected copyright treaty in the world. Aside from Russia, the United States was the only developed nation that did not belong to the Berne Convention. On March 1, 1989, the United States became the 80th member.

By adhering to the Berne Union, member countries of the Berne Convention agree to grant nationals of other member nations a certain minimum of high level copyright protection. For example, the Berne Convention requires, generally, a life plus 50 year term of copyright protection. The United States, by joining the Berne Union, automatically secured for United States nationals the same protection in foreign member countries that those countries give their own citizens. Thus, the United States did not have to negotiate bilaterally with each of the 25 countries (including Egypt, Turkey, and Thailand) not belonging to the Universal Copyright Convention, the other large multilateral copyright convention, in order to secure sound legal bases for reducing piracy in countries where that is occurring.

In general, the United States joined the Berne Convention because it was in our national interest to do so. In particular, we expect to increase our balance of trade by receiving payments for works that are being pirated in foreign countries. The United States runs a positive trade balance in the area of copyrighted works. For example, the "I Love Lucy Show", enjoyed worldwide on television, was in syndication in more than 80 countries when she died. Recordings and Music Videos are available at very low cost in entertainment arcades in some countries with which the United States has no copyright relations. Berne Convention membership sends a message to the world that the United States is committed to high level copyright protection, and puts us in a stronger bargaining position in the General Agreement on Tariffs and Trade, where an attempt will be made to negotiate a copyright code incorporating Berne's high minimal standards.

For nationals of Berne Union countries, the Berne Convention Implementation Act abolished the obligation to register their copyrights with the Copyright Office as a prerequisite to bringing suit. Therefore, one result of joining Berne might be that there will be fewer foreign works registered with accompanying deposits which the Library can acquire for its collections. The Library may then have to purchase more foreign books and periodicals. In addition, if in fact foreign nationals of Berne countries decided not to register, this could result in a reduction of revenue. On the other hand, since other legal benefits of registration have been left intact, for example,statutory damages and attorneys' fees, there may not be much decrease in foreign registrations.

Question. What, if any, effect will the Copyright Royalty Tribunal's proposed modifications to its rules and regulations have on the workload of the Copyright Office.

Response. Modifications that the Copyright Royalty Tribunal has proposed to its rules and regulations to date will have no affect on the workload of the Copyright Office.

Congressional Research Service

Question. Provide a measurement of your workload. What proportion of Congressional requests were: a. handled with pre-packaged products? b. required additional or new products? c. satisfied with an oral response?

Response. In FY 1988, CRS responded to more than 487,800 requests for research and reference. This was a ten percent increase over the previous fiscal year.

The breakdown of CRS inquiries in FY 1988 by the type of response provided is:

Type of Response	% Requests	% Hours
Preparation of new CRS products	2.3%	50.5%
Distribution of prepared materials		
Existing CRS Products	36.2%	10.9%
Non-CRS Materials	28.7%	18.8%
Subtotal	64.9%	29.7%
Telephone/In-person consultation	32.8%	19.8%

The 1970 Amendment to the Legislative Reorganization Act mandated that CRS provide more policy analysis and research to aid the legislative process. This enhanced analytical function was added to the traditional reference services that constituted the majority of the CRS (then the Legislative Reference Service, or LRS) workload prior to 1970.

In order to concentrate on expanding policy analysis and still handle the increasing demand for reference services efficiently and effectively, reference and distribution of CRS and other prepared products have been concentrated in the Congressional Reference and Library Services Divisions. A complex system has emerged. By concentrating the majority of time on the conduct of research by subject experts, we are able to produce written products which are responsive to and anticipate congressional analytical needs. Wide distribution of these products then magnifies the value of the original research effort. Thus, for fewer than 11 percent of the hours involved in directly responding to congressional requests we responded to more than 36 percent of the requests, by using already prepared CRS products. In addition, many of the oral responses provided (almost 32.8 percent of the requests and 19.8 percent of the hours), also depend upon the research previously performed.

Question. Provide a breakdown between member and committee requests.

Response. The information follows:

	Requests	Hours
Member	320,987	255,146
Committee	98,989	254,698
Constituent	67,853	30,069
Total	487,829	539,913

The breakdown of House and Senate Committee inquiries and hours follows:

Inquiries Cleared and Research Hours for House and Senate Standing Committees

	Research		Reference		Total	
HOUSE STANDING	Requests	Hours	Requests	Hours	Requests	Hours
Agriculture	501	1,823	978	392	1,479	2,215
Appropriations	505	3,072	671	288	1,176	3,360
Armed Services	313	1,550	1,032	561	1,345	2,111
Banking, Finance & Urban Affairs	553	1,723	1,958	748	2,511	2,171
Budget	424	1,048	1,104	470	1,528	1,513
District of Columbia	70	316	1,016	344	1,086	660
Education and Labor	2,518	16,286	2,650	1,024	5,163	17,310
Energy and Commerce	1,358	11,150	5,806	2,206	7,164	13,356
Foreign Affairs	960	10,210	2,978	2,007	3,938	12,217
Government Operations	558	2,879	2,414	927	2,972	3,806
House Administration	299	2,867	1,367	453	1,666	3,320
Interior and Insular Affairs	387	2,089	816	354	1,203	2,443
Judiciary	768	3,296	3,062	1,363	3,830	4,659
Merchant Marine & Fisheries	397	1,660	1,530	581	1,927	2,211
Post Office and Civil Service	465	3,989	1,036	430	1,501	4,419
Public Works & Transportation	233	802	1,650	492	1,883	1,294
Rules	160	1,725	335	327	495	2,052
Science, Space & Technology	615	3,997	1,627	645	2,242	4,642
Small Business	300	1,619	1,089	442	1,389	2,061
Standards of Official Conduct	13	9	48	21	61	30
Veterans' Affairs	123	739	226	94	349	833
Ways and Means	1,194	11,886	1,260	631	2,454	12,517
Total *	12,714	84,735	35,552	14,950	48,266	99,685

*Includes 899 requests (150 hours) for Info Packs not identified by specific committee

SENATE STANDING						
Agriculture, Nutrition & Forestry	345	1,393	442	212	787	1,605
Appropriations	446	1,885	799	323	1,245	2,208
Armed Services	212	1,966	655	407	867	2,373
Banking, Housing & Urban Affairs	430	2,575	779	315	1,209	2,890
Budget	440	2,149	1,249	684	1,689	2,833
Commerce,Science & Transportatio	409	4,164	1,155	479	1,564	4,643
Energy and Natural Resources	210	1,872	465	173	675	2,015
Environment and Public Works	349	6,559	835	278	1,184	6,837
Finance	631	3,486	666	278	1,297	3,764
Foreign Relations	711	7,683	1,817	1,283	2,528	8,966
Governmental Affairs	1,180	6,741	1,980	1,570	3,160	8,311
Judiciary	1,067	2,017	1,955	1,151	3,022	3,168
Labor and Human Resources	1,766	6,953	1,677	798	3,443	7,751
Rules and Administration	353	3,855	470	220	823	4,075
Veterans' Affairs	224	545	688	301	912	846
Total **	8,773	53,843	17,315	8,753	26,088	62,596

** Includes 1,683 requests (281 hours) for Info Packs not identified by specific committee

Question. The workload chart provided in your budget justification indicates that about 30 to 35 percent of CRS' total staff resources were spent responding to Member, Committee and Constituents requests. Please discuss what activities the other 65 to 70 percent of your staff resources were used for.

Response. The 539,915 hours reported in CRS' workload chart represents 77.2 percent of the available time of all staff who are involved in direct response to specific congressional requests and activities for which we collect time data. There are a number of reasons why this does not record all hours for all staff available for the year:

(1) Our system was designed primarily as an inquiry tracking system, to enable us to identify each request made and determine the location and status of that request until it is completed. A secondary purpose is to record, in general terms, the hours spent responding to each request and the method and type of response. The system was not designed as a total time accounting system and therefore does not capture time related to some direct service nor does it record indirect activities, as discussed below.

(2) For certain direct services, we do not attempt to record time at all. The major activities included in this category are: the inquiry receipt (and followup) process itself, Info Pack preparation and distribution, distribution of other CRS products requested by number (CRS Reports and Issue Briefs), in-person assistance provided in the Reading Rooms and Reference Centers, SCORPIO training and hotline support for congressional staff, and Bill Digest activities.

(3) None of the indirect professional and support staff time is captured in the system - editorial work, peer and quality review time, bibliographic support, secretarial and other clerical activities, and supervisory or administrative time.

(4) The time reported by analysts, librarians and others whose activities the system does collect, does not include the time spent tracking issues, keeping up with professional literature, in training, developing interdisciplinary or interdivisional strategies for integrating the Service's subject coverage on specific issues, etc.. Again, only the time which can be identified as related to a specific inquiry or project is captured in the system.

(5) Finally, as noted above, because we are not attempting to maintain a full time accounting system, we know that even some of the time actually spent in direct response does not get captured. For example, if an analyst receives a call directly from a Member or staffer and can answer the question through a relatively short telephone discussion, he or she may not fill out the forms necessary to capture that inquiry in the system - particularly if there is another call or report with pressing deadlines to turn to next, or if filling out the form takes longer than responding to the inquiry itself. Our objective is to record all such activities, and therefore we are continually trying to find ways to make it easier for staff to report and not reduce the amount of time available for direct service to the Congress by creating a cumbersome paperwork burden. But our primary emphasis will always be on serving the Congress and only secondarily collecting information about that service.

Question. Foreign Affairs and National Defense Policy Research Associate Program. You are requesting 5 indefinite positions for this program. Why do you need additional positions if you have been operating this program for the past 4 years?

Response. The Foreign Affairs and National Defense Policy Research Associate Program was started in order to experiment with a way to manage short-term general requests in the foreign and defense policy area. In order to try it, savings were generated by delaying filling positions long enough to fund these temporaries. Now, however, the increasing demands to provide analytical coverage for such issues as trade, Central America, arms control and the defense budget, to name a few, make it essential that we fill vacancies as soon as possible when they occur. Since the experiment worked so well and demonstrated that we could handle a high volume of requests at lower costs through the use of closely supervised interns, we are seeking the funding for these positions to establish the program on an ongoing basis.

Books for the Blind and Physically Handicapped

Question. An increase of one new position and $2,731,000 is requested for FY 1990. Is this position filled now on a temporary basis?

Response. A temporary budget number has been assigned to the position and recruitment is under way to replace the incumbent who resigned.

Question. The largest single increase in this request is $1,124,877 on a base of $7,116,749. How many playing machines and of what type are to be purchased with the $7,116,749?

Response. The following machines will be purchased at a total expenditure of $7,116,749. It is anticipated that the noted quantities will be acquired:

30,000 cassette book machines	$4,455,270
30,000 talking book machines (phonographs)	$2,661,479

Question. How many machines are in inventory? How many more will the requested increase of $1,124,877 provide?

Response. The machines currently assigned to individuals and available for use total 761,171.

Cassette players	496,876
Disc players	264,295

We do not have an inventory of machines in storage. All machines are distributed to machine lending agencies as they are produced.

It is anticipated that approximately 7,900 cassette book machines will be purchased with the requested increase.

Civic Achievement Award Program

Question. What is the status of the authorization for this program?

Response. Hearings on the reauthorization of the Civic Achievement Award Program were held in the Senate on April 6, 1989. No legislation has been introduced in either House of Congress.

Question. Participation in this program is expected to increase from 700 classrooms and 21,000 students in 1988-1989 to 43,000 classrooms and 1,300,000 students in 1990. Please explain why you believe this program will expand this much in one year. Is any data available from the field test as to the impact of this program?

Response. The Librarian of Congress wrote to the Chairman of the Senate Committee on Rules and Administration and to the Chairman of the Senate Subcommittee on Legislative Appropriations in December, 1988, to tell them that the budget request ($3,144,000) of the Close Up Foundation for the Civic Achievement Award Program was outside of the review process for other Library budget requests and that he could not support an increase of 382 percent for Close Up. Any questions about the details of the program would need to be addressed to the Close Up Foundation; the Library of Congress has no effective jurisdiction over the program.

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

General

Senator Nickles. Dr. Billington, excluding the Civic Achievement Award Program, The Library is requesting an increase of $32.0 million for FY 1990. Of this increase, $14.0 million is for inflation and $18.0 million is for new initiatives or growing workload. Would you give us some idea of your priorities within these two categories? Tell us (1) the items and amounts you must have to keep the Library operating at a viable level, and (2) those items that might be deferred to a future year.

Response. We feel that our entire request should be considered a top priority. Each item in our request is a vital part of our effort to supply the Congress and the library community with the services that they need. Each of these parts is a separate block to be used in the building of a better Library of Congress.

The requests cover positions in various areas of the Library. All areas, whether they require funding for new or underfinanced positions, are in need of strengthening and/or extension in order to more efficiently use the resources of the Library to better serve the Congress and the library community.

Senator Nickles. What is the status of the Restoration and Renovation project? Are you pleased with the progress thus far? Has the matter of the water leaks from the roof of the Thomas Jefferson Building been cleared up?

Response. The first phase of construction is scheduled to be finished in October, 1989, after which the Library will have about one year to occupy the space. Most of the John Adams Building space has already been accepted for beneficial occupancy. New fire protection systems are operational in the bookstacks of both buildings. The Main Reading Room is scheduled to reopen in April, 1990, with the Main Card Catalog located on an adjacent Deck. The Coolidge Auditorium will close in the fall of 1989 and not reopen until Phase II of construction is completed sometime late in 1992 or early 1993.

The Library is satisfied with the work that has been completed thus far. The decorative areas that have been restored in the Thomas Jefferson Building are stunning.

The roof of the Thomas Jefferson Building will not be replaced as part of the renovation project. The Architect of the Capitol has advised the Library that repairs and improved maintenance practices should largely eliminate water leaks.

Senator Nickles. What is the extent of the arrearage problem in the Library of Congress? What has contributed to the growing arrearages? How many positions are requested in this budget to attack this problem and what will be the reduction in the arrearage? Do you have a time-phased plan for elimination of arrearages?

Response. The arrearages in Processing Services based on a physical count at the midpoint of FY 1989 amounted to 342,872 items. This is an actual decrease from the 352,432 titles counted at the end of FY 1988. However, the arrearages have steadily risen since FY 1985 primarily as the result of fiscal economies required by budget reductions due to Gramm-Rudman-Hollings. The decrease during the first half of FY 1989 stems from the fact that no new staff have been hired for some time and therefore existing staff are trained and able to produce effectively, and from the cessation of developmental and maintenance work that, although it provides more time for cataloging at present, will create difficulties in the future. Estimates for the remaining half of FY 1989 and for future years, if current conditions continue, indicate that the arrearages will again begin to grow as staff members leave the Library.

The restoration of funds requested for the cataloging area (21 of 26 positions) in Processing Services for FY 1990 are not intended to reduce the arrearages, but rather are to keep them from growing further. Depending upon the level of receipts, the level of training required for positions filled, and the economies resulting from work reorganization efforts within the cataloging area, the department may be able to reduce the existing arrearages slightly.

The Librarian has established a matrix team to determine the size, composition, age, condition, location, and custody of the Library's arrearages, considering materials in all media. The team is developing a long-range plan for elimination of the arrearages.

Senator Nickles. What is the status of the Library reorganization after your year-long study of Library operations?

Response. During our transition planning, we have developed target organizational structures for each of the seven new service units that will comprise our new organization. Because the planning has been conducted sequentially for each unit, the status of the reorganization is slightly different in each service unit. The status is:

1. Library Management Services - target organization approved, top managers in place (some are acting pending competitive selection process completion), full reorganization expected to be in place by October 1, 1989.

2. Copyright Services - target organization out for comment. Revision and implementation expected to be complete by October 1, 1989.

3. Congressional Services - target organization still under discussion. Will be out for comment by mid-June, with implementation expected to occur in the first half of FY 1990.

4. Special Projects Services - target organization out for comment. Full implementation expected by October 1, 1989.

5. Cultural Services - target organization out for comment. Implementation expected to occur between the third quarter of FY 1989 and the first half of FY 1990.

6. Constituent Services - target organization out for comment. Implementation expected during FY 1990.

7. Collection Services - target organization out for comment. Implementation expected during FY 1990.

New Field Offices

Senator Nickles. How many field offices does the Library now have? Provide a listing of current field offices, staffing, costs of operation, and quantities of materials acquired.

Response.

Office	Staff	Funds	Acquisitions LOC	Acquisitions Research Libraries
Brazil	14	$ 392,213	31,295	--
Egypt	33	597,063	26,060	112,589
Kenya	16	486,298	25,695	10,113
India	56	1,182,990	117,439	263,821
Pakistan	24	383,158	16,111	64,803
Indonesia	17	352,278	31,913	84,912
Total	160	$3,394,000	248,513	536,238

Senator Nickles. What will be the total annual costs for operation of the two proposed offices? What is the relative priorities between the two?

Response. The total cost of the Central American office is $270,319 and the total cost of the West Africa office is $207,319. For strategic reasons, the Central American office is our highest priority.

Senator Nickles. Nine new positions are requested for Research and Reference. How many of these positions are in support of new field offices?

Response. Two GS-5 Technician positions are requested in Research Services to handle additional materials in connection with the new field offices.

Senator Nickles. What costs do the overseas offices recover through the cooperative acquisitions programs?

Response. The first three columns of the chart below show the amount the Library has received from libraries participating in the cooperative acquisitions programs in FY 1989. Funds in the publications column are earmarked for purchasing publications for the participants. Funds in the overhead column are used by the field offices to cover the expenses of running multiple-copy programs. The fourth column shows the total appropriation of each office.

Program	Publications	Overhead	Gift Total	Appropriation
East Africa	$ 7,533	$ 3,767	$ 11,300	$ 392,213
Brazil	10,000	3,000	13,000	597,063
Pakistan/Iran	48,300	14,500	62,800	486,298
Southeast Asia	127,000	38,000	165,000	1,182,990
Middle East	127,500	38,300	165,800	383,158
South Asia	98,500*	245,600	344,100	352,278
Totals	$ 418,833	$343,167	$762,000	$3,394,000

* These funds cover the purchase of publications from Nepal, Bangladesh, and Sri Lanka. The Library also received an allotment of $929,000 worth of rupees from the United States-India Fund. These rupees cover the cost of publications from India.

American Memory

Senator Nickles. $963,668 and 17 positions are requested for this pilot project. If funds for vacant positions are provided, why could they not be used to staff this project?

Response. The American Memory budget request is for $963,668 including 17 positions. The cost of the positions is $588,668. If the Congress provides funds for vacant positions then some of those positions could, indeed, be used for American Memory. However, if that were to happen, then other important work for which the positions were originally created and for which support is now once again requested could not be done.

Senator Nickles. Do you have a time-phased plan on this project so that total costs might be estimated?

Response. American Memory has proposed a six year initial work period to disseminate from fifteen to twenty collections to the American people. The collections fall under three broad themes and would be issued at the rate of about three per year. The preparation time for the collections varies greatly; some work begun during years one and two will bear fruit in years five and six. The level of funding necessary to support the project, as described, would remain more or less constant over the six years of the program.

American Memory is envisioned as a continuing effort. After the first six years (indeed as the program is evaluated each year), long-range plans will be made and refined. It is hoped that private sector participation in the program will allow for cost sharing or cost recovery. The novel nature of the venture makes it impossible to estimate the amount of cost sharing at this time, but the expectation is that it would increase in succeeding years as the program demonstrates its effectiveness.

It is worth noting that the major work of American Memory consists of organizing, processing, cataloging or indexing collections, and the production of surrogates. Most of this work nourishes the institution and its systems for providing service; if American Memory does not succeed as a dissemination venture, the preparation of the collections will still provide a major benefit to Library users.

National Reference Service

Senator Nickles. If funds for vacant positions are provided, can those funded positions be substituted for the 8 new positions requested?

Response. No. The funds for the vacant positions are needed to fill positions essential to allowing us to restore services that have been curtailed because of lack of staff. These positions, now unfilled, are critical to providing quality library and information services, in making the Library's collections available to the readers, and in conducting and fostering research and publication. Without staff in these positions, service to the Library's users has suffered. Researchers come to the Library of Congress to locate resources not available in other libraries and expect to find expert librarians to provide timely service. Because of recent steady reductions in the number of reference librarians, specialists and technicians on its staff, the Library can no longer respond to reader requests in a timely and effective manner, and we have had to jeopardize other equally important work such as the development and updating of the Library's vast and unique collections and the preparation of bibliographies and other publications.

The eight new positions for the National Reference Service have been requested to provide a new service. These positions, added to existing staff, would be used to establish a telephone and correspondence service that will answer basic questions so that other reference staff are free to answer more difficult questions or questions which require the Library's collections, to make people aware of the Library's services available to them through their own state or local libraries, and to serve as a cornerstone of a national reference service for all users. In sum the establishment of the National Reference Service will enable senior reference librarian staff to concentrate more on evaluating and acquiring materials for the Library's collections and on providing greater depth in the answers they give to those whose research truly needs the Library's collections and the expertise of its staff.

Preservation of Library Materials

Senator Nickles. Thirteen new positions and $741,000 are requested to support the Mass Deacidification Project. Tell us about the status of this project, the status of your procurement plan, and how the present request fits into this project.

Response. The Library's Procurement and Supply Office has been working with the General Accounting Office and outside procurement experts to put together a request for proposal (RFP) package to bid a deacidification contract for the Library's collections. Our current schedule is to have this bidding process go forward this summer. Assuming that the bidding process goes smoothly we would expect to award a contract during the first quarter of FY 1990.

Ten permanent positions are requested to implement the program for advanced preparation of the book collections for treatment under the DEZ process. The prior review and preparation are required before books are shipped for deacidification treatment in order to avoid last minute confusion, waste, backlogs, damaged books, lost books and books unavailable for long periods of time.

Three temporary positions are requested to establish and evaluate a production line for the processing of books returned to the Library following deacidification.

The non-personal requests will cover the increase costs of binding books before being placed in the DEZ program and the costs of equipment needed to process the books upon their return from the deacidification.

Senator Nickles. It is my understanding the Library of Congress is about to issue an RFP for the preservation of large numbers of deteriorating old books in the Library's collection. I would appreciate being updated on the progress of this effort.

Response. Work on the procurement process for a deacidification contractor for doing the Library's collections has proceeded to the point where we have a clear picture of the short and long term procurement strategies for deacidifying the Library's collections over the next 25 years. In addition, considerable progress has been made on the request for proposal (RFP) document and the gathering of technical information supporting this document and the procurement. The original schedule estimated in December 1988 has slipped approximately one month due to the need to generate additional technical information to support the long term procurement strategy.

Senator Nickles. How many different technologies are currently available to address this problem?

Response. There are currently seven different technologies that are being developed or have been developed to address this problem. It is important to understand that they are not all at equal stages of development and some appear not to address large-scale deacidification of one million books/year or greater.

Senator Nickles. On what basis will the Library determine which technology is most suitable?

Response. By use of appropriate procurement specifications and a technical evaluation panel.

Senator Nickles. The Library has reportedly developed a large data base on how to evaluate these technologies. Is that information publicly available?

Response. The Library has not developed a large data base to evaluate these technologies. However, details of the procurement specifications will be available publicly as soon as the RFP is issued.

Senator Nickles. When will the Library make the decision on which technology to employ?

Response. The expectation is that the Library will make the final decision about what technology or technologies are to be employed early in 1990.

Senator Nickles. Reportedly, available technologies are privately owned. Is the only investment the Library intends to make is that for the actual treatment of the books?

Response. Three of the existing technologies are owned by governments of countries while four are privately owned. Although the initial thrust of investment for the Library will be for the actual treatment of books there is some discussion among procurement specialists that it would be advisable in the future for the government to own a second facility which would be contractor operated.

Senator Nickles. What funds are budgeted for this activity in FY 1990 and what are the major components of this funding request?

Response. Funds budgeted for FY 1990 for the deacidification program amount to $731,649. These funds breakdown into two major components: (1) to support the pilot test of the internal logistics program for moving books out of the Library to a deacidification facility and back (This pilot program will be done in FY 1990 utilizing the deacidification facility in Houston); and , (2) to fund a higher effort level to prepare the book collections well in advance of the deacidification program.

Automated Systems Support

Senator Nickles. An increase of $3.2 million and ten positions on a base of $19.1 million and 195 positions is requested for this account in FY 1990. You have a Strategic Information Systems Plan. How does this request fit into that plan and where is this plan leading us?

Response. The Strategic Information Systems Plan (SISP) presents a direction for automation at the Library. This direction includes management goals and objectives, a description of the Library as an enterprise, a high level description of Library data and applications, an automation option for the Library to pursue, a migration plan to achieve the chosen option, and recommendations which address future planning activities for the Library.

The SISP implies an upgrade in equipment and software, including replacing the Library's major information systems with modern database software, moving to a computer-aided software development environment, introducing new storage media such as optical disk, and creating a flexible technology platform able to integrate future technology options in support of the Library's mission.

The $3.2 million increase, including ten positions, strengthens data management and systems analysis functions, both of which are imperative for modernizing the Library's systems, and also upgrades communications and workstation capability while introducing more reliable database software.

Furthering the vision of the SISP, the Library will be taking major strides toward maintaining a consistent, user-friendly approach to the delivery of comprehensive responses from the Library's voluminous and complex information resources. The Library of Congress will become a leader in the development of user-friendly and highly integrated electronic library systems for interactive research, information retrieval, data storage, and the distribution of cultural products.

Optical Disk Program

Senator Nickles. A non-recurring increase of $1,274,000 was provided in FY 1989 to replace the Congressional Research Service SDI microfiche system with optical disk equipment. The FY 1990 estimate for this account does not reflect a total decrease of that amount. Explain why not.

Response. The $1,274,000 in FY 1989 was for equipment for the CRS/SDI project. That amount for non-recurring equipment is netted out of the request for FY 1990 (see page 146 of our justification). The $1,398,235 requested for FY 1990 will provide maintenance support for existing applications as well as provide opportunities to utilize optical disk for new initiatives.

Management Services

Senator Nickles. $556,000 is requested to fill 15 police positions. What significant adverse effects have there been because these positions have not been filled?

Response. Present staffing for Library police has forced the Library to operate with less than an adequate number of supervisors. This shortage has created supervisory problems throughout the Force; and is particularly critical for the Library since the police supervisor is often the senior Library official present in Library buildings to make decisions vital to safety and security.

Additionally, the Library has identified the need for greater physical security for its collections and staff. Funds for eight police private positions are required for patrol and fixed posts in support of that effort.

Office of the Librarian

Senator Nickles. Explain the request for 6 new positions of the Affirmative Action Office.

Response. The six GS-7 Library Technician positions are needed to support a Pilot Staff Development Internship. The program will be complementary to the Library's Intern Program and will provide affirmative action opportunities at the trainee level. The program will offer the selected interns opportunities to obtain education, training and experience needed to enable them to move into technical or professional positions with promotional potential. Although the positions will be funded from the Affirmative Action Office, they will be located in those organizations where underrepresented job categories are identified. The program will be incorporated into the Library's new Multi-Year Affirmative Action Plan, and will become an additional mechanism to help the Library achieve a representative workforce, by reducing underrepresentation of minorities and women in technical and professional job categories.

Building Rental

Senator Nickles. $2.4 million, including $97,753 for eight new positions, is requested, primarily for a remote storage facility for library materials. What kinds of materials would be stored and what are the adverse effects of deferring this request?

Response. The facility would house 3 million volumes of the Library's classified collections which would be serviced by two WG-5 Collections Maintenance Laborers and six GS-7 Library Technicians. The overall bookstacks in the Jefferson Building housing the classified collections are close to being functionally full right now (77%). Shelving is considered functionally full when it is filled to 80% of its maximum capacity. Beyond that point, collections service and maintenance becomes very difficult, and the continuous shifting of books to accommodate uneven rates of growth among the classifications requires prohibitive amounts of labor. Some classes now exceed the 80% limit and some exceed 100% shelving capacity and are going on the floor. The acquisition, air handling systems modification, and outfitting of a remote storage facility will take 2-3 years at best. The situation becomes more desperate and unmanageable with each passing month. Collections have been shifted to the maximum extent possible over the last several years to achieve the most economical and efficient use of space.

Copyright Office

Senator Nickles. Explain the growing backlog. What is contributing to this increase in the backlog?

Response. The registration processing backlog consists of the 98,000 claims on hand in the Copyright Office at the end of FY 1988 plus roughly 25,000 additional claims that have accumulated since October, 1988. The 123,000 total means that the average processing time for routine registrations is approaching ten weeks - twice normal maximum goal.

The two most important factors contributing to this growing backlog are the steady 4.4% annual increase in the number of copyright claims submitted, and the inadequate number of staff to deal with those claims. By way of illustration, the Copyright Office received 555,000 claims in FY 1985 compared with 640,000 estimated for FY 1989. During this same period, the staffing level dropped from 532 to 520.

Senator Nickles. What is the "COINS" system and what is the status of it?

Response. COINS is the acronym for the Copyright Office IN-process System, the computer system used to record the receipt and status of every fee service request received in the Copyright Office. The primary purpose of the system is to track the processing of each request to its completion, and to provide management with summary and statistical data to measure the volume and progress of the overall Copyright Office workload.

Following the opening and sorting of the mail, and the receipt date stamping of claim forms and deposit copies, a record of each fee service request is created through on-line terminals in the COINS database. This normally takes place within five days of receipt in the mailroom. A record cannot be created without accounting for an appropriate fee received. Immediately upon creation of the record, the information is available on-line at any one of 70 computer terminals throughout the Copyright Office, including one especially set up for the public's use. Searching for a record of receipt may be done by the title, claimant name, remitter name, or by the control number assigned to the request. More than 600,000 requests were recorded during FY 1988. All cash and checks received with the requests are also recorded, and schedules prepared to accompany the deposit of these remittances.

In addition to the recording of fee service requests, COINS is also used to maintain the information and postings to the deposit accounts operated much like a checking account, where the remitter places a sum of money on deposit against which the fees for their requested services are charged. Monthly account statements are sent to the account holders and accounting reports are prepared to maintain integrity and accuracy. For the 12 percent of claims that require further communication with the remitter, a supplementary record is created in the COINS database to track the status of the correspondence.

COINS is a fully operational system that has been constantly improved and refined over the last 10 years. At the present time, the Automated Systems Office is redeveloping the correspondence tracking software to streamline it and to integrate it with the receipt records. The target date for this improvement is January, 1990.

Senator Nickles. What is the status of the International Copyright Institute?

Response. The Copyright Office has long been involved in training activities for foreign copyright officials, but its programs were limited and hampered by a lack of funds. Working closely with concerned members of Congress, the Copyright Office requested and received funds to establish an International Copyright Institute. The hope is to create a permanent institution that can bring together United States copyright experts from within and outside of the government with their colleagues from developing and industrializing countries. The Institute conducts basic educational training programs in copyright law, emphasizing international copyright matters. It also organizes specific symposia or similar discussions on matters of bilateral or regional interest or importance, allowing United States and foreign government copyright officials to examine contemporary copyright law problems strongly supported by the presence of experienced academics and other experts drawn from outside government.

The need for a comprehensive international copyright training facility in the United States is both in the public interest and that of United States copyright industries.

This fiscal year we have three groups of foreign government officials scheduled for training.

The first program is tentatively scheduled to begin June 18 and end on July 30, 1989, for Egyptian Government officials. The second program, scheduled for September 10-23, 1989, will be for people from the Arabian Peninsula. The third program will be conducted from September 24 through October 6, 1989, for officials from Taiwan, Thailand and the Philippines.

Congressional Research Service

Senator Nickles. An increase of thirty-one positions and $5,122,000 is requested in FY 1990. Provide a brief explanation of these increases.

Response. The FY 1990 request has four parts. First, we are requesting funding for 10 full-time equivalents ($303,799) for the Graduate Recruit Program, an affirmative action recruitment program which will assist CRS in attracting highly qualified individuals and make CRS staff more representative of the nation's ethnic and racial diversity.

Second we are requesting funding, and a limited number of positions, to meet the increasing workload. This includes funding to fill 26 present vacancies ($874,267), 15 new budgeted positions for the Congressional Reference and Library Services Divisions ($384,739), 5 full-time equivalents for the Foreign Affairs and National Defense Policy Research Associate Program ($100,250) and one additional budgeted position for the Optical Disk Congressional Access Project ($52,388). The funding to fill the 26 vacancies is also needed to continue placement of staff hired through the affirmative action recruitment efforts - the Graduate Recruit Program and the Law Recruit Program.

Together, these two components total 16 new budgeted positions, and funding for 15 additional full-time equivalents and a total of $1,715,443.

Third, funding for the mandatory increases - ingrades and reallocations and to annualize the pay raise - is requested ($2,413,657).

Fourth, funding is requested for nonpersonal services to cover inflation and increased workload: current level increases ($242,900), duplication of CRS products ($370,000), data base access ($205,000), and professional and consultant services ($175,000). Funding for these items is essential to efficient and effective management of our growing workload.

Senator Nickles. Would you update the CRS workload statistics for the committee?

Response.

	Requests	Hours
Member	320,987	255,146
Committee	98,989	254,698
Constituent	67,853	30,069
Total	487,829	539,913

The breakdown of House and Senate Committee inquiries and hours follows:

Inquiries Cleared and Research Hours for House and Senate Standing Committees

	Research		Reference		Total	
HOUSE STANDING	Requests	Hours	Requests	Hours	Requests	Hours
Agriculture	501	1,823	978	392	1,479	2,215
Appropriations	505	3,072	671	288	1,176	3,360
Armed Services	313	1,550	1,032	561	1,345	2,111
Banking, Finance & Urban Affairs	553	1,723	1,958	748	2,511	2,171
Budget	424	1,048	1,104	470	1,528	1,518
District of Columbia	70	316	1,016	344	1,086	660
Education and Labor	2,518	16,286	2,650	1,024	5,168	17,310
Energy and Commerce	1,358	11,150	5,806	2,206	7,164	13,356
Foreign Affairs	960	10,210	2,978	2,007	3,938	12,217
Government Operations	558	2,879	2,414	927	2,972	3,806
House Administration	299	2,867	1,367	453	1,666	3,320
Interior and Insular Affairs	387	2,089	816	354	1,203	2,443
Judiciary	768	3,296	3,062	1,363	3,830	4,659
Merchant Marine & Fisheries	397	1,660	1,530	581	1,927	2,241
Post Office and Civil Service	465	3,989	1,036	430	1,501	4,419
Public Works & Transportation	233	802	1,650	492	1,883	1,294
Rules	160	1,725	335	327	495	2,052
Science, Space & Technology	615	3,997	1,627	645	2,212	4,642
Small Business	300	1,619	1,089	442	1,389	2,061
Standards of Official Conduct	13	9	48	21	61	30
Veterans' Affairs	123	739	226	94	349	833
Ways and Means	1,194	11,886	1,260	631	2,454	12,517
Total *	12,714	84,735	35,552	14,950	48,266	99,685

*Includes 899 requests (150 hours) for Info Packs not identified by specific committee

SENATE STANDING						
Agriculture, Nutrition & Forestry	315	1,393	442	212	787	1,605
Appropriations	446	1,885	799	323	1,245	2,208
Armed Services	212	1,966	655	407	867	2,373
Banking, Housing & Urban Affairs	430	2,575	779	315	1,209	2,890
Budget	440	2,149	1,249	684	1,689	2,833
Commerce,Science & Transportatio	409	4,164	1,155	479	1,564	4,643
Energy and Natural Resources	210	1,872	465	173	675	2,045
Environment and Public Works	349	6,559	835	278	1,184	6,837
Finance	631	3,486	666	278	1,297	3,764
Foreign Relations	711	7,683	1,817	1,283	2,528	8,966
Governmental Affairs	1,180	6,741	1,980	1,570	3,160	8,311
Judiciary	1,067	2,017	1,955	1,151	3,022	3,168
Labor and Human Resources	1,766	6,953	1,677	798	3,443	7,751
Rules and Administration	353	3,855	470	220	823	4,075
Veterans' Affairs	224	545	688	301	912	846
Total **	8,773	53,843	17,315	8,753	26,088	62,596

** Includes 1,683 requests (281 hours) for Info Packs not identified by specific committee

Books for the Blind and Physically Handicapped

Senator Nickles. An increase of one position and $2,731,000 is requested. Provide an explanation for this increase.

Response. The increase of $2,731,000 is requested to permit library service to blind and physically handicapped individuals to be maintained in FY 1990 at the same level as in FY 1989. Inflation and actual cost increases range from a low of 4 percent to a high of 230 percent. Overall the increase required is 7 percent.

Since FY 1985 annual increases in the Books for the Blind and Physically Handicapped Program have averaged .5 percent. In FY 1989 we required a 1.1 percent increase, and in FY 1990 a .2 percent expansion.

The $2,731,000 requested increase in the cooperative program will permit the readership of 705,000 to receive adequate service. It should be understood that each dollar provided by federal sources is matched by $.50 from state resources. The result is a synergistic service operation.

The one position requested is that of secretary to the Head, Consumer Relations Section. To ensure that consumer needs are paramount among all NLS technical and service activities, the Consumer Relations Section requires a permanent secretarial position to coordinate incoming requests and prepare and distribute correspondence and reports in response to numerous consumer inquiries; to maintain a comprehensive subject file of consumer concerns and NLS responses and assist in preparing and tabulating surveys of consumer activities; and assist with providing the full range of library service to United States consumers living abroad in addition to handling the regular administrative activities of the section such as time and attendance, preparing and making travel arrangements for staff, and providing reading assistance to visually impaired staff.

Senator Nickles. Are readers being provided for adequately in FY 1989?

Response. Yes. There are no shortages of machines, books, or related materials. However, the budget permits production of machines immediately required, with no ability to create an inventory against an emergency situation.

Senator Nickles. Do you have a backlog of patron requests which you cannot cover?

Response. There is no backlog of patron requests which cannot be covered. Occasional local backlogs are reported due to "blips" in the supply chain. However, all such occurrences have been and can be rectified when the matter is brought to the attention of appropriate Library of Congress personnel.

Senator Nickles. Provide statistics on readership and acquisitions of talking books and machines.

Response. Charts displaying the requested data follow:

NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED
LIBRARY OF CONGRESS

NATIONAL PROGRAM IN ALL NETWORK LIBRARIES
READERS AND CIRCULATION--BOOKS AND MAGAZINES
FIVE-YEAR SUMMARY

(All figures rounded to the nearest 100)

Fiscal Year	Readership	Percent Change from Previous Fiscal Year	Circulation	Percent Change from Previous Fiscal Year
Braille:				
1984	17,000	- 6.6%	695,100	+ 2.1%
1985	18,300	+ 7.7%	703,600	+ 1.2%
1986	20,900	+14.2%	648,300	- 7.9%
1987	22,400	+ 7.2%	733,000	+13.1%
1988	21,100	- 5.8%	800,000	+ 9.1%
1984-1988 change	+ 4,100	+24.1%	+ 104,900	+15.1%
Average annual change	+ 1,000	+ 5.8%	+ 26,200	+ 3.9%
Recorded:[1]				
1984	612,100	+ 1.4%	18,332,400	+ 4.4%
1985	646,300	+ 5.6%	18,926,600	+ 3.2%
1986	661,500	+ 2.4%	19,237,500	+ 1.6%
1987	669,000	+ 1.1%	19,542,400	+ 1.6%
1988	684,300	+ 2.3%	20,000,000	+ 2.3%
1984-1988 change	+72,200	+11.8%	+1,667,600	+ 9.1%
Average annual change	+18,000	+ 2.9%	+ 416,900	+ 2.7%

---

[1] Combines cassettes and discs.

NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED
LIBRARY OF CONGRESS

Proposed Fiscal Year 1990 Machine and Related Equipment Acquisition Chart

	Units	Funds
Machines:		
Cassette book machines	30,000	$ 4,455,270
Talking book machines (phonographs)	30,000	3,132,000
Accessories		$ 654,356
Headphones	26,000	
Remote control units	0	
Pillow speakers	10,000	
Breath switches	500	
Extension levers	5,000	
Solar panels	100	
TOTAL		$ 8,241,626

Note: Total inventory of sound reproduction units assigned to patrons, or pending assignment, at machine-lending agencies as of September 30, 1988:

Cassette players	496,876
Disc players	264,295
TOTAL	761,171

ACQUISITION PLAN--RECORDED MATERIALS
1990

	Number of titles	Average number of copies	Average cost/ title	Total cost
*Recorded Cassette Books:				
General..............................	1,620	875	$ 4,397	$ 7,123,063
Foreign..............................	50	320	3,600	180,000
Flexible Disc Books....................	110	2,880	13,182	1,450,000
Flexible Disc Magazines, General........	38	7,100	94,868	3,605,000
Magazines, Library of Congress..........	1		498,000	498,000
Miscellaneous (catalogs, bibliographies, manuals, mailing list maintenance, inventory control, automation support, etc.)......................				$ 487,000
Subtotal (3111 funds)..........				$ 13,343,063
Magazines, Music........................	4		27,500	110,000[1]
TOTAL FUNDS....................				$ 13,453,063

---

[1] 3104 funds

*Container costs are included in this line item.

COMPARATIVE ACQUISITION PLAN--RECORDED MATERIALS
1985 - 1990

	1985 Actual	1988 Actual	1989 Estimated	1990 Estimated	FY 1990 Estimated vs. FY 1985 Actual
Recorded Cassette Books:					
General..................................	1,156	1,879	1,620	1,620	464
Foreign..................................	100	50	50	50	-50
Flexible Disc Books........................	110	110	110	110	0
Magazines, General.........................	37	38	38	38	1
Magazines, BPH Program (LC-published)......	1	1	1	1	0
Magazines, Music Program (LC-published)....	4	4	4	4	0

Senator Hatfield. You indicate that your reorganization will eliminate layers of supervision and review that do not add value. What will you do with those layers of supervision under your new plan?

Response. During the implementation phase of this transition (FY 1990-1991), we intended to eliminate layers of supervision and review that do not add value. By this we mean supervision and review procedures which have outgrown their usefulness, not people who are in positions of supervision and review. When we remove superfluous procedures, staff will be able to function more effectively in the accomplishment of our goals. Large segments of senior managers' time are used in reading and signing off on matters about which they have no direct knowledge and which do not require their control. Naturally, getting these materials in the appropriate form for senior management review, and then pursuing the - often as many as seven levels - management review takes large segments of first-line supervisors' time. The Library simply cannot afford to spend time in these ways rather than on performing our mission.

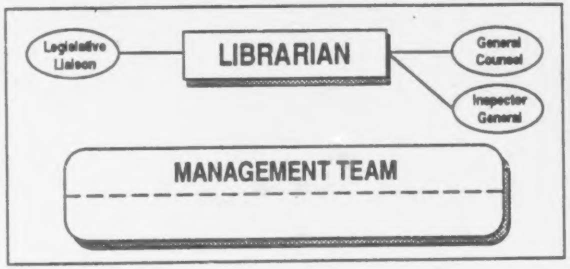
The elimination of layers of supervision and review of this kind does not translate readily into positions savings, for two reasons. First, we are not talking about eliminating specific, whole jobs; we are trying to remove from all jobs those activities that are a waste of time. This process is itself laborious. It entails revising regulations, reexamining the distribution of functions, simplifying work flows, redefining jobs and training the staff in the change procedures. Second, we are not eliminating layers of supervision and review simply to streamline our operations. We are pursuing this goal so we can apply these resources to the critical mission tasks we are not able to perform. We are pursuing this goal because we see our workload growing in a time when federal resources generally will be in decline. If we are not successful in our efforts, we have little hope of meeting the increasing demand. We do not see these mission needs as optional; therefore, the elimination of now unnecessary layers of supervision and review is mandatory.

It is important that we acknowledge the extent to which we are currently unable to meet mission requirements. To achieve bibliographic control of the Library's current holdings - control that is a prerequisite to effective access to these unique collections - would require an estimated 4,240 additional staff years. To preserve the Library's current holdings, many of which are deteriorating each year beyond the point of reclamation, would require an additional $500 - $750 million over the next 30 years. These resources are not included in our FY 1990 budget request.

To take away budgeted positions because we are streamlining our operations would in these circumstances of urgent need defeat the entire purpose of the streamlining efforts. We recognize that the Congress cannot fund the Library at a level high enough to solve all our mission problems. We respectfully request that the Congress recognize the extent of the Library's needs and refrain from cutting positions because we are trying to work more efficiently.

The attached charts illustrate the transitions plans for the old organizational components to the new organization service units. Because the transition effort is still under way, the charts may be subject to some change in the near future.

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS



OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED: 173
168 Budgeted; (5) Indefinite, Special & Temp.
FY89 FUNDING: $8,846,535
Does Not Include Non-Personals

THE LIBRARIAN OF CONGRESS
THE DEPUTY LIBRARIAN OF CONGRESS
THE ASSOCIATE LIBRARIAN OF CONGRESS

OFFICE OF THE LIBRARIAN

Office of the Librarian
Office of the Deputy Librarian
Office of the Associate Librarian

Center for the Book
Collections Development Office
Council of Scholars
Internal Audit Office
Legislative Liaison Office
Library Environment Resources Office
Office of Planning & Development
Office of the General Counsel
Office of Development
Personnel Security Office
Special Projects Office
Human Resources Office

TRANSITION OBJECTIVES

- Streamline administrative functions
- Move programs & line management functions from staff office to program offices
- Consolidate functions currently split into two or more organizational units (Eliminate duplication of functions)
- Draw on line managers from throughout the Library to perform Library-wide management functions

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 33
33 Budgeted; (0) Indefinite, Special & Temp.
FUNDING NEEDED IN FY90: $3,100,541
Does Not Include Non-Personals

THE LIBRARIAN OF CONGRESS

OFFICE OF THE LIBRARIAN

The Associate Librarian of Congress
Librarian's Office Staff
Inspector General
Legislative Liaison Office
Office of the General Counsel

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS

OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED IN FY89: 896
860 Budgeted; (36) Indefinite, Special & Temp.

FY89 FUNDING: $39,634,963
Does Not Include Non-Personals

DIRECTOR, CONGRESSIONAL RESEARCH SERVICE

- American Law
- Congressional Reference
- Economics
- Educational & Public Welfare
- Environment & Natural Resources Policy
- Foreign Affairs & National Defense
- Government
- Library Services
- Operations
- Policy
- Research Coordination
- Science Policy Research
- Special Programs

Congressional Services

- Policy/Analysis Services
- Research Services
- Member Briefings
- Information and Reference Services
- Seminars and Workshops
- Documentation and Status of Legislation
- Foreign Legal Analysis

TRANSITION OBJECTIVES

- To provide the Congress with the highest quality research, analysis and reference support on an objective, non-partisan, confidential and timely basis.

- To increase congressional awareness of and access to the Library's universal collection of human knowledge, information and expression, and its cultural and educational programs.

- To accomplish this, Congressional Services will function not as a formal organization, but through coordinating management and project teams. These teams, drawn from staff throughout the Library, will broaden and improve coordination and development of programs, products and services which increase Congressional access to the Library's unique collections and human resources. The Congressional Research Service will remain dedicated, through its organization and budget, to providing policy analysis, documentation and status of legislation, and reference and information products and services.

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 927
876 Budgeted; (51) Indefinite, Special & Temp.

FUNDING NEEDED IN FY90: $43,764,063
Does Not Include Non-Personals

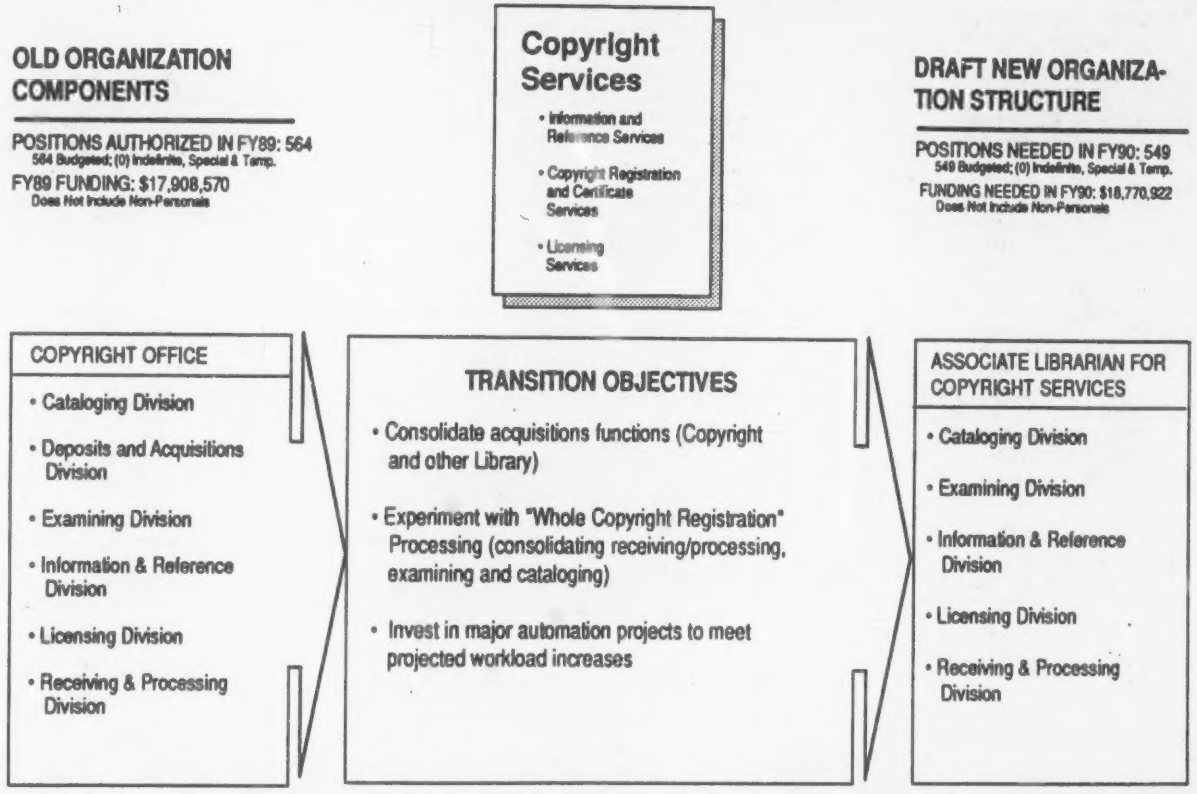
DIRECTOR, CONGRESSIONAL RESEARCH SERVICE

- American Law
- Congressional Reference
- Economics
- Educational & Public Welfare
- Environment & Natural Resources Policy
- Foreign Affairs & National Defense
- Government
- Library Services
- Operations
- Policy
- Research Coordination
- Science Policy Research
- Special Programs

ASSOCIATE LIBRARIAN FOR CONGRESSIONAL SERVICES

- CS Management Team
- CS Project Teams

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS



Copyright Services

- Information and Reference Services
- Copyright Registration and Certificate Services
- Licensing Services

OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED IN FY89: 564
564 Budgeted; (0) Indefinite, Special & Temp.
FY89 FUNDING: $17,908,570
Does Not Include Non-Personals

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 549
549 Budgeted; (0) Indefinite, Special & Temp.
FUNDING NEEDED IN FY90: $18,770,922
Does Not Include Non-Personals

COPYRIGHT OFFICE

- Cataloging Division
- Deposits and Acquisitions Division
- Examining Division
- Information & Reference Division
- Licensing Division
- Receiving & Processing Division

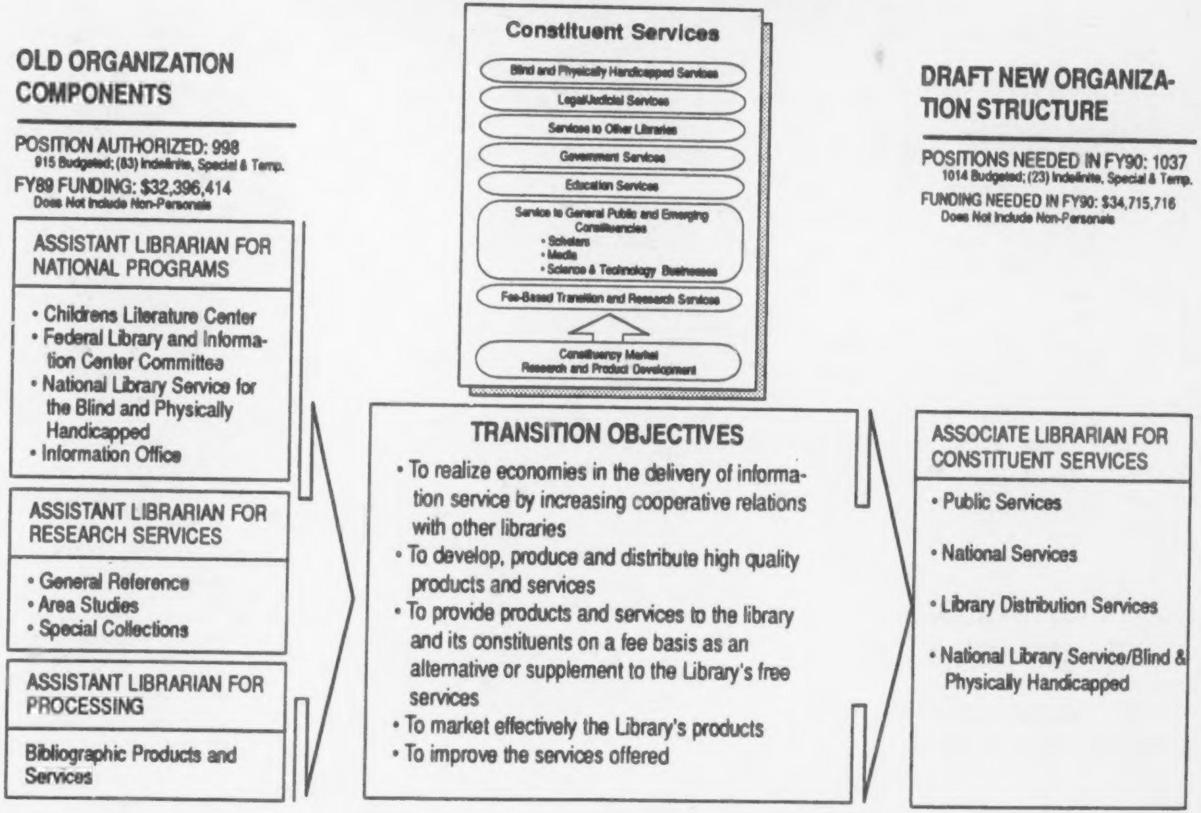
TRANSITION OBJECTIVES

- Consolidate acquisitions functions (Copyright and other Library)
- Experiment with "Whole Copyright Registration" Processing (consolidating receiving/processing, examining and cataloging)
- Invest in major automation projects to meet projected workload increases

ASSOCIATE LIBRARIAN FOR COPYRIGHT SERVICES

- Cataloging Division
- Examining Division
- Information & Reference Division
- Licensing Division
- Receiving & Processing Division

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS



OLD ORGANIZATION COMPONENTS

POSITION AUTHORIZED: 998
915 Budgeted; (83) Indefinite, Special & Temp.
FY89 FUNDING: $32,396,414
Does Not Include Non-Personals

ASSISTANT LIBRARIAN FOR NATIONAL PROGRAMS

- Childrens Literature Center
- Federal Library and Information Center Committee
- National Library Service for the Blind and Physically Handicapped
- Information Office

ASSISTANT LIBRARIAN FOR RESEARCH SERVICES

- General Reference
- Area Studies
- Special Collections

ASSISTANT LIBRARIAN FOR PROCESSING

Bibliographic Products and Services

Constituent Services

Blind and Physically Handicapped Services
Legal/Judicial Services
Services to Other Libraries
Government Services
Education Services
Service to General Public and Emerging Constituencies
- Scholars
- Media
- Science & Technology Businesses

Fee-Based Translation and Research Services
Constituency Market Research and Product Development

TRANSITION OBJECTIVES

- To realize economies in the delivery of information service by increasing cooperative relations with other libraries
- To develop, produce and distribute high quality products and services
- To provide products and services to the library and its constituents on a fee basis as an alternative or supplement to the Library's free services
- To market effectively the Library's products
- To improve the services offered

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 1037
1014 Budgeted; (23) Indefinite, Special & Temp.
FUNDING NEEDED IN FY90: $34,715,716
Does Not Include Non-Personals

ASSOCIATE LIBRARIAN FOR CONSTITUENT SERVICES

- Public Services
- National Services
- Library Distribution Services
- National Library Service/Blind & Physically Handicapped

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS

OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED: 1749
1583 Budgeted; (166) Indefinite, Special & Temp.
FY89 FUNDING: $53,795,766
Does Not Include Non-Personals

OFFICE OF THE LIBRARIAN
- Collections Development Office

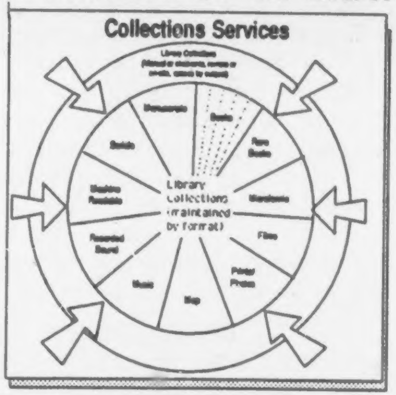
ASSISTANT LIBRARIAN FOR COPYRIGHT SERVICES
- Copyright Acquisitions

OFFICE OF THE LAW LIBRARIAN
- Law Library

ASSOCIATE LIBRARIAN FOR MANAGEMENT
- Photoduplication

ASSISTANT LIBRARIAN FOR PROCESSING SERVICES
- Acquisitions and overseas operations
- Cataloging
- Bibliographic Products & Services

ASSISTANT LIBRARIAN FOR RESEARCH SERVICES
- Collections Management
- Preservation
- Loan Division


Collections Services

TRANSITION OBJECTIVES

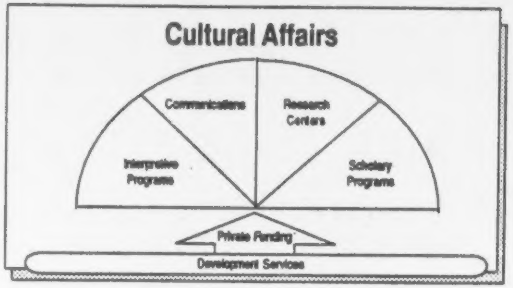
- To eliminate arrearages
- To provide equivalent emphasis on books, manuscripts and special collections to achieve bibliographic control
- To work toward integrated access to multi-media collections
- To streamline the current process of cataloging
- To make effective & creative use of information technology

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 1836
1801 Budgeted; (35) Indefinite, Special & Temp.
FUNDING NEEDED IN FY90: $55,480,503
Does Not Include Non-Personals

ASSOCIATE LIBRARIAN FOR COLLECTION SERVICES
- Cataloging
- Collection Development & Acquisitions
- Collections Management
- Managing & Lending
- Preservation

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS


Cultural Affairs
Communications
Research Centers
Interpretive Programs
Scholary Programs
Private Funding
Development Services

OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED IN FY89: 80
70 Budgeted; (10) Indefinite, Special & Temp.
FY89 FUNDING: $2,727,547
Does Not Include Non-Personals

ASSISTANT LIBRARIAN FOR RESEARCH SERVICES
- Poetry Office

OFFICE OF THE LIBRARIAN
- Center for the Book
- Council of Scholars
- Office of Development

ASSISTANT LIBRARIAN FOR NATIONAL PROGRAMS
- American Folklife Center
- Exhibits Office
- Publishing Office
- Information Office
- Special Events Unit

TRANSITION OBJECTIVES

- To provide coordination for private fund raising efforts throughout the Library
- To bring together Library functions that through creative or scholarly use of the collections enhance their value to the Congress and the American people

DRAFT NEW ORGANIZATION STRUCTURE

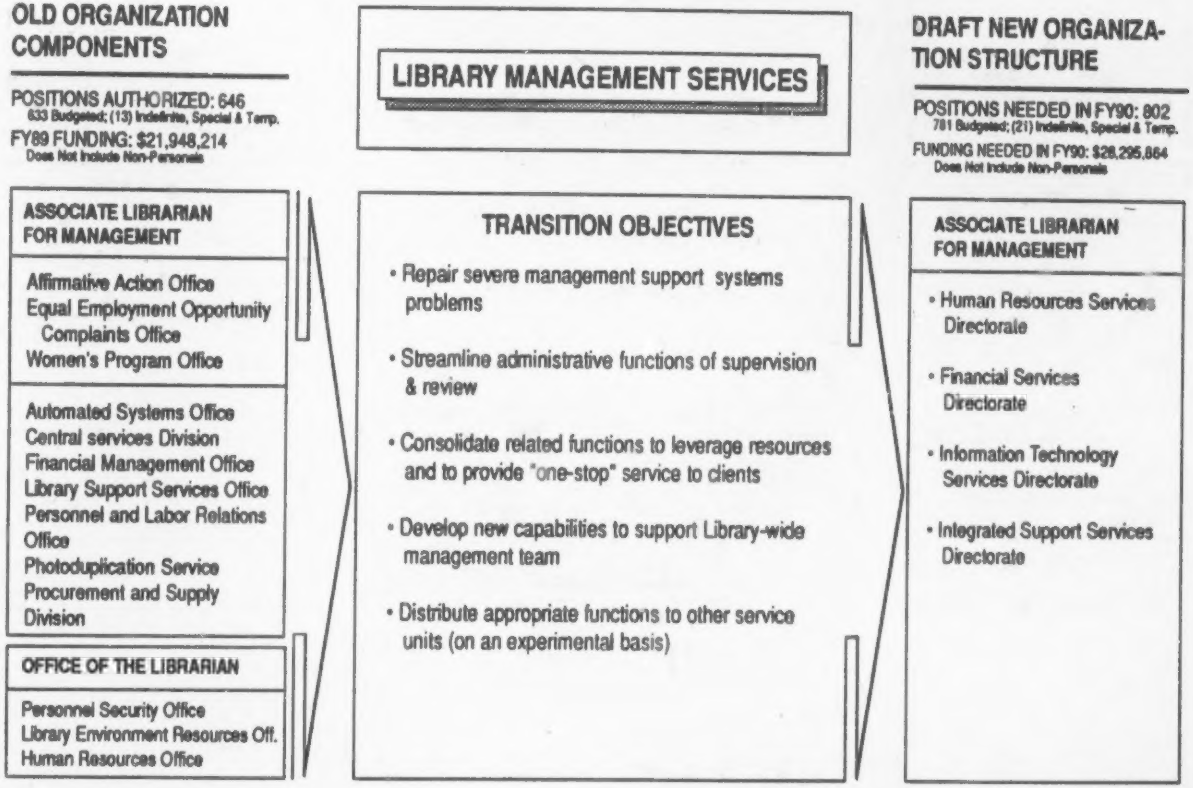
POSITIONS NEEDED IN FY90: 86
76 Budgeted; (10) Indefinite, Special & Temp.
APPROPRIATED FUNDING
NEEDED IN FY90: $3,004,149
Does Not Include Non-Personals

ASSOCIATE LIBRARIAN FOR CULTURAL AFFAIRS

- Creative Support Programs
- Scholarship Support Programs
- Intrepretive Support Programs

External Affairs
- Special Events & Public Programs
- Funding
- Communications

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS



OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED: 646
633 Budgeted; (13) Indefinite, Special & Temp.
FY89 FUNDING: $21,948,214
Does Not Include Non-Personals

ASSOCIATE LIBRARIAN FOR MANAGEMENT

Affirmative Action Office
Equal Employment Opportunity Complaints Office
Women's Program Office

Automated Systems Office
Central services Division
Financial Management Office
Library Support Services Office
Personnel and Labor Relations Office
Photoduplication Service
Procurement and Supply Division

OFFICE OF THE LIBRARIAN

Personnel Security Office
Library Environment Resources Off.
Human Resources Office

LIBRARY MANAGEMENT SERVICES

TRANSITION OBJECTIVES

- Repair severe management support systems problems
- Streamline administrative functions of supervision & review
- Consolidate related functions to leverage resources and to provide "one-stop" service to clients
- Develop new capabilities to support Library-wide management team
- Distribute appropriate functions to other service units (on an experimental basis)

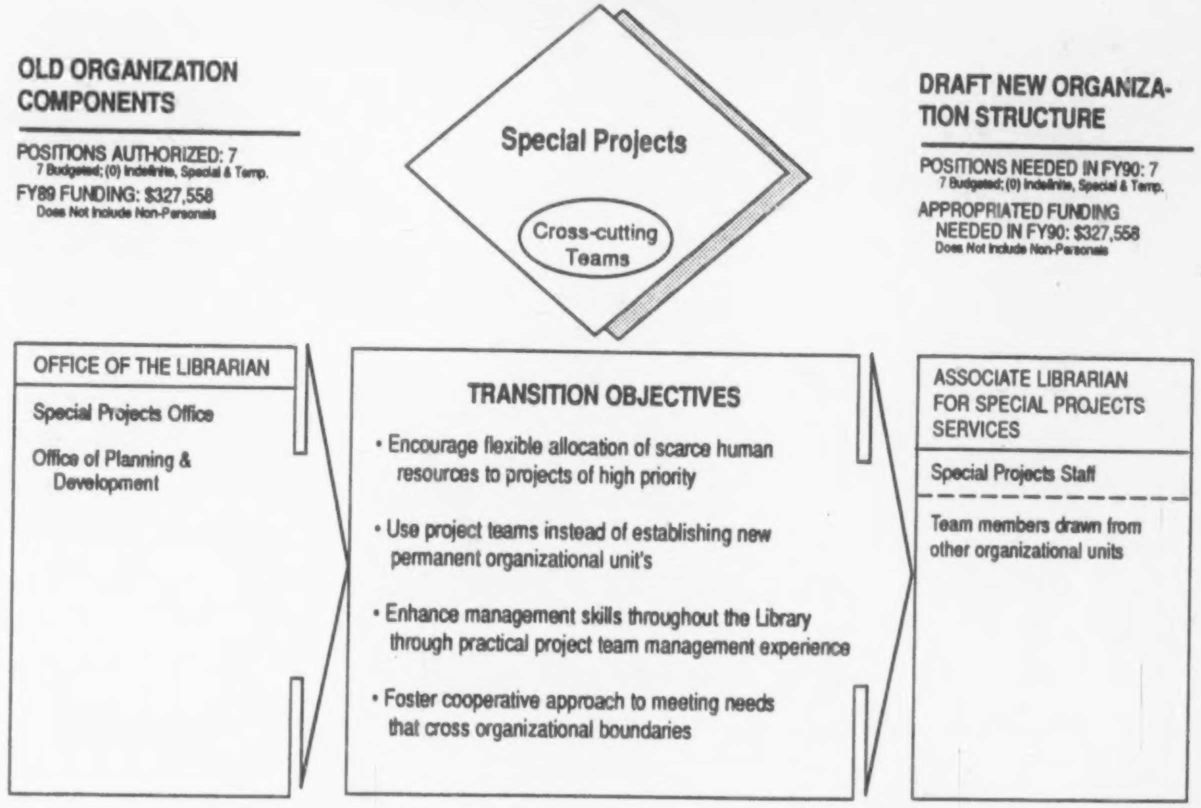
DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 802
781 Budgeted; (21) Indefinite, Special & Temp.
FUNDING NEEDED IN FY90: $28,295,864
Does Not Include Non-Personals

ASSOCIATE LIBRARIAN FOR MANAGEMENT

- Human Resources Services Directorate
- Financial Services Directorate
- Information Technology Services Directorate
- Integrated Support Services Directorate

LIBRARY OF CONGRESS
NEW CONCEPT OF OPERATIONS



OLD ORGANIZATION COMPONENTS

POSITIONS AUTHORIZED: 7
7 Budgeted; (0) Indefinite, Special & Temp.
FY89 FUNDING: $327,558
Does Not Include Non-Personals

Special Projects

Cross-cutting Teams

DRAFT NEW ORGANIZATION STRUCTURE

POSITIONS NEEDED IN FY90: 7
7 Budgeted; (0) Indefinite, Special & Temp.
APPROPRIATED FUNDING NEEDED IN FY90: $327,558
Does Not Include Non-Personals

OFFICE OF THE LIBRARIAN

Special Projects Office

Office of Planning & Development

TRANSITION OBJECTIVES

- Encourage flexible allocation of scarce human resources to projects of high priority
- Use project teams instead of establishing new permanent organizational unit's
- Enhance management skills throughout the Library through practical project team management experience
- Foster cooperative approach to meeting needs that cross organizational boundaries

ASSOCIATE LIBRARIAN FOR SPECIAL PROJECTS SERVICES

Special Projects Staff

Team members drawn from other organizational units

LIBRARY OF CONGRESS – TRANSITION

FISCAL YEAR 1989			FISCAL YEAR 1990		
OLD ORGANIZATION	POSITIONS	FUNDS	FUNDS	POSITIONS	NEW ORGANIZATION
Office Of The Librarian	173	$ 8,846,535	$ 3,100,541	33	Office Of The Librarian
Congressional Research	896	$ 39,634,963	$ 43,764,063	927	Congressional Services
Copyright Services	564	$ 17,908,570	$ 18,770,922	549	Copyright Services
Management Services	646	$ 21,948,214	$ 28,295,864	802	Library Management Services
National Programs	225	$ 7,497,038			
Processing	1638	$ 49,039,031	$ 3,004,149	86	Cultural Services
Research Services	869	$ 27,329,906	$ 55,480,503	1836	Collections Services
Law Library	102	$ 3,814,187	$ 34,715,716	1037	Constituent Services
			$ 327,558	7	Special Projects Services
Subtotal		$ 176,018,444	$ 187,459,316		
Mandatories			6,854,857		
All Nonpersonals		81,509,556	$ 98,297,827		
Total:	5113	$ 257,528,000	$ 292,612,000	5277	

POSITIONS BREAKDOWN FY89

S&E/LC – 3257 Budget; (247) Indefinite, Special & Temp.
S&E/Copyright – 564 Budget
S&E/BBPH – 119 Budget; (23) Indefinite, Special & Temp.
S&E/CRS – 86C Budget, (36) Special & Temp.
F&F – (7) Indefinite

Subtotal – 4800 Budget; (313) Indefinite, Special & Temp.
Total – 5113

POSITIONS BREAKDOWN FY90

S&E/LC – 3366 Budget; (285) Indefinite, Special & Temp.
S&E/Copyright – 549 Budget
S&E/BBPH – 120 Budget; (23) Indefinite, Special & Temp.
S&E/CRS – 876 Budget, (51) Special & Temp.
F&F – (7) Indefinite

Subtotal – 4911 Budget: (366) Indefinite, Special & Temp.
Total – 5277

COPYRIGHT ROYALTY TRIBUNAL

STATEMENT OF EDWARD W. RAY, CHAIRMAN

ACCOMPANIED BY:

MARIO AGUERO, COMMISSIONER

J.C. ARGETSINGER, COMMISSIONER

ROBERT CASSLER, GENERAL COUNSEL

CHRISTY RODRIGUEZ, CONFIDENTIAL ASSISTANT AND BUDGET DIRECTOR

PREPARED STATEMENT

Senator REID. The subcommittee will now hear from the Copyright Royalty Tribunal.

Commissioner Ray, as I understand it, the 1976 revision to the Copyright Act established the Copyright Royalty Tribunal to set royalty rates with respect to certain compulsory licenses and to distribute the proceeds among the copyright owners whenever a controversy arose about the allocation of those funds.

Mr. Ray, it is a pleasure to welcome you here today. We have your statement and would ask that you summarize this for us. We will make your full statement part of the record.

[The statement follows:]

STATEMENT OF EDWARD W. RAY

Thank you, Mr. Chairman. It is a pleasure to be here again after so many years. The Tribunal last appeared before this Senate Subcommittee in April 1983 with our FY 1984 budget request. Appearing with me today are my colleagues, Commissioners Mario F. Aguero and J. C. Argetsinger, Robert Cassler, our General Counsel, and Christy Rodriguez, our budget officer. Two of the Tribunal's commissioner positions continue to remain vacant.

The FY 1990 request reflects a net increase of $41,000. This increase is due primarily to salaries and benefits increases, rental of space, and printing in the Federal Register.

The major portion of the Tribunal's funding is derived from the cable and jukebox copyright royalty fee funds. The Tribunal's FY 1990 budget request is for a total of $674,000, of which $539,000 would be derived from the copyright royalty funds with a resultant $135,000 required from regular bill appropriations.

As in FY 1989, the Tribunal has again declined to include in our FY 1990 request the funds which would be required for the two commissioner and staff assistant positions that currently remain vacant. This continues to represent a substantial reduction in comparison to our FY 1988 and prior years budget requests. To our knowledge, there are no nominations pending nor anticipated. If these positions are filled, the Tribunal will be required to submit a supplemental pay request of $276,000 for FY 1990 and possibly a prorated amount for any balance of FY 1989.

We have included a brief summary of the Tribunal's statutory responsibilities, including the Satellite Home Viewer Act of 1988 and the Berne Convention Implementation Act of 1988, and our 1990 budget justification.

Thank you, Mr. Chairman, we would be pleased to discuss any of these matters or others which you may wish.

The Copyright Royalty Tribunal is an independent agency within the Legislative Branch established by P.L. 94-553 (1976). Specifically, the Tribunal set the royalty rates for four compulsory licenses: secondary transmissions of copyrighted works by cable systems, manufacture and distribution of phonorecords, coin-operated phonorecord players (jukeboxes), and the use of copyrighted works by noncommercial broadcasters. Additionally, in the area of cable and jukeboxes, the Tribunal was charged with the distribution of the royalty fees collected under those compulsory licenses.

In 1988, Congress passed two bills which expand the Tribunal's statutory responsibilities.

Public Law 100-667, the Satellite Home Viewer Act of 1988, effective January 1, 1989, establishes a new compulsory license to be paid by satellite carriers for the retransmission of broadcast signals to the private homes of satellite dish owners. Responsibility for distributing royalties collected from the new compulsory license to the proper copyright owners is vested with the Tribunal. The royalty rate is fixed by Congress for a period of three years, after which the rate is to be adjusted by means of negotiations, or by arbitration subject to the review of the Tribunal. The new rate will be effective until December 31, 1994. The satellite dish compulsory license will expire on that date unless renewed by Congress.

Public Law 100-568, the Berne Convention Implementation Act of 1988, effective March 1, 1989, calls for the owners of music played in jukeboxes and the operators of jukeboxes to attempt by negotiation or arbitration to reach a voluntary license for the use of music on jukeboxes. The purpose of this provision is to conform U.S. law with the standards of the Berne Convention which guarantees authors of musical works exclusive rights when authorizing the public performance of their works on jukeboxes. While continuing to administer the jukebox compulsory license, the Tribunal will have the additional responsibility of monitoring and making findings regarding the progress of the licensing negotiations, and, if arbitration is agreed to, to set the time for arbitration. The jukebox compulsory license currently administered by the Tribunal will remain in effect: (a) temporarily until a voluntary license is reached; (b) permanently in the event a voluntary license is not reached; and (c) whenever a voluntary license has been reached but its term lapses before a new voluntary license can be reached.

COPYRIGHT ROYALTY TRIBUNAL

	Total	Transfer from Royalty Funds	Regular Bill
1989 Regular Bill......................	$633,000	-$510,000	$123,000
1990 Estimate..........................	$674,000	-$539,000	$135,000
	$41,000	$29,000	$12,000

Decreases

1. Travel and Transportation .... -$1,000

   The Tribunal anticipates a reduction in the cost for local transportation due primarily to the acquisition of hearing facilities at the Tribunal offices.

2. Cost of Hearings...................... -$5,000

   In 1990, the Tribunal anticipates 40 days of hearings which reflect a reduction of $5,000.

Total Decreases...-$ 6,000

Analysis of Increases

	FY 1989	FY 1990	Increase
1. Salaries and Compensation......... Current level + $29,000 The $29,000 increase to current level for salaries and compensation is necessary to provide for a periodic within grade step increase for the 5 CRT staff positions and for the 1988 and 1989 cost of living increases.	$398,000	$427,000	$29,000
2. Personnel Benefits................ Current level + $5,000 The increase in personnel benefits is primarily a result of the 6.1% cost of living increases of 1988 and 1989 and to a lesser degree the within grade step increases for the staff.	$64,000	$69,000	$5,000
3. Rental of Space................... Current level + $4,000 The GSA estimate of rental costs for the Tribunal current office space for FY 1990 is $94,106.	$90,000	$94,000	$4,000
4. Printing, forms................... The cost of printing in the Federal Register and Code of Federal Regulations of notices, orders, final determinations and final rules has increased to more fully address the issues presented. This has resulted in a greater number and more lengthy rulings.	$20,000	$23,000	$3,000

5. **Maintenance and Repair to Equipment $3,000 $4,000 $1,000**

In 1988, the cost for maintenance and service of office equipment had increased to $3,410. Additionally, the rental of the postage meter ($400) is also included in this allotment.

6. Office Supplies $2,000 $3,000 $1,000

Although the Tribunal has continued the policy of purchasing office supplies through the GSA and the Library of Congress to take advantage of the substantial break in the cost of supplies, the annual expenses for general supplies has increased.

7. 1988 Summit Reduction............. $ 0 $4,000 $4,000

Total Increases.. $47,000

SUMMARY

	FY 1989	FY 1990	Increase
Total Salaries and Expenses- Copyright Royalty Tribunal	$633,000	$674,000	$41,000

Decrease in Current Level -$6,000

Increase in Current Level +$47,000

COPYRIGHT ROYALTY TRIBUNAL

	FY 1989		FY 1990	
Salaries & Comp	8 pos	$398,000	8 pos	$427,000
Personnel Benefits		64,000		69,000
Travel & trans		2,000		1,000
Meetings & Conferences		2,000		2,000
Postage		1,000		1,000
Local telephone		3,000		3,000
Long distance telephone		1,000		1,000
Rental of equipment		0		0
Rental of Space		90,000		94,000
Printing, forms		20,000		23,000
Other services, misc.		1,000		1,000
Services of other agencies/LOC		20,000		20,000
Tuition & Training		2,000		2,000
Repair of equipment		3,000		4,000
Cost of hearings		25,000		20,000
Office supplies		2,000		3,000
Books & Library materials		2,000		2,000
Equipment		1,000		1,000
1988 Summit Reduction		-4,000		0
Total CRT Budget		$633,000		$674,000
Less transfer from royalty funds		510,000		539,000
Total Regular Bill Funds		$123,000		$135,000

Schedule B

COPYRIGHT ROYALTY TRIBUNAL
ANALYSIS OF CHANGE TO BUDGET BASE BY ORGANIZATION AND OBJECT CLASS

CATEGORIES	MANDATORY PAY AND RELATED COSTS		PRICE LEVEL CHANGES		PROGRAM TYPE CHANGES EQUIPMENT; ALTERATIONS, MAINTENANCE REPAIRS, ETC.		TOTAL CHANGES	
	STAFF	DOLLARS ($000)	STAFF	DOLLARS ($000)	STAFF	DOLLARS ($000)	STAFF	DOLLARS ($000)
1. Breakdown by Organization:								
Copyright Royalty Tribunal		$34				$ 7		$41
2. Breakdown by Object Class:								
11 Personnel Compensation		$29						$29
12 Personnel Benefits		$ 5						$ 5
13 Benefits to Former Personnel								
21 Travel						$-1		$-1
22 Transportation of Things								
23 Rent, Communications & Utilities						$ 4		$ 4
24 Printing and Reproduction						$ 3		$ 3
25 Other Services						$-4		$-4
26 Supplies and Materials						$ 1		$ 1
31 Equipment								
32 Land and Structures								
42 Insurance Claims & Indemnities								
1988 Summit Reduction						$ 4		$ 4
Total		$34				$ 7		$ 41

Schedule C

COPYRIGHT ROYALTY TRIBUNAL
Detailed Analysis of Change by Organization

	Calculation of Base	
	Staff	Amount ($000)
Appropriation, 1989	8	123
Plus: Estimated reimbursements Currently Authorized from Royalty Funds		510
Budget Base, 1989	8	633
	1990 Request	
	Staff	Amount ($000)
I. Adjustments to Base		
A. Mandatory Pay and Related Costs	8	+34
1. Within-grade Increases - 1 periodic step increase for each (5) staff position.		8
2. Cost of Living increases -		+26
1988 COLA adjustment to pay scale		10
1989 COLA adjustment to pay scale		16
B. Price Level Changes		0
C. Program Type Changes		+7
1. Travel - Local Transportation		-1
2. Rent, Communications & Utilities		+4
3. Printing and Reproduction		+3
4. Other Services		-4
5. Supplies and Materials		+1
6. 1988 Summit Reduction		+4
II. Net Increase		+41
III. Total Appropriation Request, 1990	8	674

Schedule D

COPYRIGHT ROYALTY TRIBUNAL
Summary of Agency Request
FY 1990 Budget Request

	Calculation of Base	
	Staff	Amount ($000)
Appropriation, 1989	8	$123
Estimated reimbursements		510
Budget Base, 1989 (est.)	8	$633
Proposed Changes for FY 1990		
Mandatory Pay and Related Costs		$34
Price Level Changes		0
Program Type Changes:		
Other Services		$ 7
Total Proposed Changes		$ 41
FY 1990 Budget Request	8	$674

OVERVIEW OF CRT'S ROLE

The Copyright Royalty Tribunal (Tribunal) was created by [801(b) of Public Law of 94-553, the General Revision of the Copyright Law of 1976 (Title 17 of the United States Code) for the purpose of setting certain copyright royalty rates under compulsory licensing provisions and to make distributions of certain fees paid required by provisions of the Act. It is authorized five commissioners appointed for seven-year terms by the President with the advice and consent of the Senate. At present, the Tribunal is composed of three commissioners, with two positions vacant.

Specifically, the Tribunal's statutory responsibilities are detailed in sections 111, 115, 116, 118 and 801 of Title 17 U.S.C.. The Tribunal is involved in rulemaking and in adjudication. The rulemaking proceedings consist of setting royalty rates for the four compulsory licenses authorized under Title 17. The compulsory licenses are for:

1) secondary transmissions of copyrighted works by cable systems (Section 111),

2) production and distribution of phonorecords of non-dramatic musical works (Section 115),

3) public performances of nondramatic musical works by coin-operated phonorecord players (jukeboxes) (Section 116),

4) the use of certain copyrighted works in connection with noncommercial broadcasting (Section 118).

The Tribunal's adjudicatory functions are to distribute the cable television and jukebox royalties collected to the copyright owners.

In both the rate making and distribution areas, the Tribunal seeks to foster settlements among the various competing interests. If such accommodation is not achieved, the Tribunal conducts hearings during which it receives evidence in order to base its determinations.

CRT'S ACCOMPLISHMENTS DURING FY 1988

1984 Jukebox Royalty Distribution Determination - Appeal Status:

In January, 1985, the Tribunal received five claims to the 1984 jukebox royalty fund: Asociacion de Compositores y Editores de Musica Latinoamericana (ACEMLA), the American Society of Composers, Authors, and Publishers (ASCAP), Broadcast Music, Inc. (BMI), SESAC, Inc. (SESAC), and Italian Book Corporation (IBC).

IBC subsequently withdrew its claim after having reached a settlement with ASCAP, BMI and SESAC. ASCAP, BMI and SESAC reached an agreement for the division of the jukebox royalty among themselves. Consequently, the controversy in the 1984 Jukebox Royalty Distribution Proceeding was between ASCAP, BMI and SESAC, jointly, and ACEMLA.

On November 15, 1985, the Tribunal declared that a controversy existed concerning the distribution of the 1984 jukebox royalty fund, effective December 2, 1985 (50 FR 47794). The Tribunal conducted evidentiary hearings from September 22 to October 1, 1986.

The Tribunal issued its final determination on December 2, 1986. 51 FR 43455. ACEMLA appealed the final determination to the United States Court of Appeals for the Second Circuit on January 2, 1987. Oral argument was heard September 8, 1987. The U.S. Court of Appeals denied ACEMLA's appeal on December 16, 1987. ACEMLA v. Copyright Royalty Tribunal, 835 F. 2d 446 (2d. Cir. 1987).

1984 Cable Royalty Tribunal Distribution Proceeding - Appeal Status:

During July, 1985, the Tribunal received 750 timely filed claims to the 1984 cable royalty fund. In response to the Tribunal's request for comments regarding the existence of any controversies, it was determined that four Phase Ii controversies existed.

Presentation of the Phase II parties' direct and rebuttal cases began on October 21, 1986 and concluded on December 10, 1986 after 13 days of hearings.

On January 15, 1987, ACEMLA filed a letter with the Tribunal withdrawing its Phase II claim. The controversy in the Music category was thereby rendered moot by ACEMLA's withdrawal.

On March 17, 1987, the Tribunal published its final determination of the remaining three controversies. 51 FR 8408. On April 10, 1987, the National Broadcasting Company (NBC) appealed the Tribunal's determination of one of the controversies to the United States Court of Appeals for the District of Columbia Circuit. On April 16, 1987, Multimedia, Inc. appealed the determination of another controversy, but subsequently it withdrew its appeal. Oral argument on the appeal by NBC was heard February 1, 1988. NBC's appeal was denied by the U.S. Court of Appeals on June 7, 1988. National Broadcasting Company v. Copyright Royalty Tribunal, 848 F. 2d 1289 (D.C. Cir. 1988).

1985 Jukebox Royalty Distribution Proceeding - Appeal Status:

During January, 1986, the Tribunal received 5 timely filed claims to the 1985 jukebox royalty fund. Three of the claimants, ASCAP, BMI, and SESAC, reached an agreement for the division of the jukebox royalties among themselves, and decided to prosecute their claims jointly. Similarly, the other two claimants, ACEMLA and IBC reached an agreement for division of the jukebox royalties among themselves. Accordingly, the Tribunal published in the Federal Register a notice declaring that a controversy existed between the joint claim of ASCAP/BMI/SESAC and the joint claim of ACEMLA/IBC concerning the distribution of the 1985 jukebox royalty fund, effective December 10, 1986. 52 FR 46324 (December 9, 1986).

The Tribunal conducted six days of evidentiary hearings during the months of May and June, 1987 on two issues: whether ACEMLA and/or IBC were performing rights societies or copyright owners during 1985; and the percentage entitlement to the 1985 jukebox fund shown by the joint claims of ASCAP/BMI/SESAC and ACEMLA/IBC.

The Tribunal published its final determination of the 1985 Jukebox Royalty Distribution Proceeding in the Federal Register on December 4, 1987. 52 FR 46324.

On December 31, 1987, ACEMLA and IBC appealed the Tribunal's final determination to the U.S. Court of Appeals for the Second Circuit. Oral argument was heard May 31, 1988. The U.S. Court of Appeals denied ACEMLA and IBC's appeal on June 23, 1988.

ACEMLA and Italian Book Corporation v. Copyright Royalty Tribunal, 851 F. 2d 39 (2d. Cir. 1988)

1985 Cable Royalty Distribution Proceeding - Appeal Status:

During July, 1986, the Tribunal received 696 timely filed claims to the 1985 cable royalty fund. On January 13, 1987, the Tribunal solicited comments as to whether a controversy existed concerning the distribution of the 1985 cable fund. 52 FR 1373. Controversies were found to exist in both Phase I and Phase II of the proceeding, effective April 22, 1987. 52 FR 13118.

On July 2, 1987, the claimants representing all the Phase I parties notified the Tribunal that all Phase I controversies had been resolved. Phase I of the 1985 Cable Royalty Distribution Proceeding was terminated by the Tribunal on July 17, 1987. 52 FR 27044

Two Phase II controversies were heard by the Tribunal. One controversy was in the Program Suppliers category between Motion Picture Association of America, Inc. (MPAA) and Multimedia, Inc. The other controversy was in the Music Category between the joint claims of ASCAP, BMI and SESAC and the claim of ACEMLA.

The hearings in the Program Suppliers category were held on November 4, 5, 23, and 24, 1987. The hearings in the Music category were held October 20, and November 10, 1987.

The Tribunal published its final determination in the 1985 Cable Royalty Distribution Proceeding in the Federal Register on March 4, 1988. 53 FR 7133. An amendment to that determination was published on April 11, 1988. 53 FR 11895.

ACEMLA filed an appeal of the Tribunal's final determination with the U.S. Court of Appeals for the Second Circuit on March 8, 1988. Oral argument was heard May 31, 1988. The U.S. Court of Appeals denied ACEMLA's appeal on August 8, 1988. ACEMLA v. Copyright Royalty Tribunal, 854 F. 2d 10 (2d. Cir. 1988).

1987 Adjustment of the Public Broadcasting Royalty Rates and Terms

Section 118 of the Copyright Act provides that between June 30 and December 31 of every year ending in a 2 or in a 7, the Tribunal shall conduct a proceeding for determining reasonable rates of royalty payments for the use by public broadcasting entities of published nondramatic musical works and published pictorial, graphic, and sculptural works. Section 118 also requires the Tribunal to adopt regulations by which copyright owners may receive reasonable notice of the use of their works and for the keeping by public broadcasting entities of records of such use.

Accordingly, the Tribunal commenced the 1987 Public Broadcasting Rate Adjustment Proceeding on June 30, 1987. 52 FR 44610. Prior to the commencement of proceedings, on May 1, 1987, the Tribunal sent a letter to all the parties who had participated in either of the two previous ratesetting hearings urging private settlement.

Eleven parties filed notices of appearances with the Tribunal. Representing users of the copyrighted works were: Public Broadcasting Service, National Public Radio, the American Council on Education, the National Federation of Community Broadcasters and National Religious Broadcasters Radio Music License Committee. Representing the owners of the copyrighted works were: ASCAP, BMI, SESAC, the Harry Fox Agency, Inc., National Music Publishers Association, and the Coalition of Visual Artists Organizations.

Written direct cases were filed September 21, 1987, and hearings on the written direct cases were held October 8, 1987. Settlement of many of the three dozen rates encompassed within the public broadcasting compulsory license was achieved. Based upon the testimony, the voluntary settlements reached by the parties, and the joint or individual proposals urged by the parties, the Tribunal published a Notice of Proposed Rulemaking in the Federal Register on November 20, 1987, 52 FR 44610, and a Further Notice of Proposed Rulemaking on December 1, 1987, 52 FR 45664.

A final determination of the 1987 Public Broadcasting Rate Adjustment Proceeding was published in the Federal Register on December 29, 1987. 52 FR 49010. None of the eleven parties to the proceeding appealed the Tribunal's final determination.

Proceedings Initiated During Fiscal Year 1988

Cost of Living Adjustment for the Mechanical Royalty Rate

Sections 801(b)(1) and 804 of the Copyright Act of 1976 authorizes the Tribunal to adjust the mechanical royalty rate during the calendar year 1987, pursuant to a proceeding initiated by a petition from a party with a significant interest in the royalty rate.

On March 18, 1987, the Tribunal received such a petition from the National Music Publishers' Association, Inc., the Songwriters Guild of America, and the Recording Industry Association of America, Inc. On April 7, 1987, the Tribunal proposed to adjust the mechanical royalty rate according to the mechanism proposed by the parties in their petition. 52 FR 11096.

The proposed rule called for the adjustment of the mechanical royalty rate to be published in the Federal Register every two years on November 1 (November 1, 1987, 1991, 1993 and 1995). The adjustment would be based solely on the changes in the Consumer Price Index (CPI) except when the CPI has declined, in which case the mechanical rate could go no lower than the rate in effect during 1986-1987, or when the CPI has risen by more than 25%, in which case the mechanical rate adjustment would be no greater than 25%.

The Tribunal published a notice in the Federal Register adopting the proposed rule on June 15, 1987. 52 FR 22637, corrected, 52 FR 23546. No appeal was taken of the Tribunal's final determination. The mechanical rate adjustment final rule became effective July 15, 1987.

On October 30, 1987, the Tribunal published in the Federal Register the first of the rate adjustments called for by the new mechanical rate adjustment mechanism. The change in the Consumer Price Index resulted in an increase in the mechanical rate from 5 cents or .95 cent per minute of playing time or fraction thereof, whichever is greater, to 5.25 cents or 1 cent per minute of playing time or fraction thereof, whichever amount is greater. 52 FR 41711.

1986 Jukebox Royalty Distribution Proceeding

During January, 1987, the Tribunal received 5 timely filed claims to the 1986 jukebox royalty fund. ASCAP, BMI and SESAC reached an agreement for the division of the jukebox royalties among themselves, and decided to prosecute their claims jointly.

On November 13, 1987, IBC reported to the Tribunal that it had reached a voluntary agreement with ASCAP, BMI and SESAC and accordingly, it withdrew its claim.

Consequently, the controversy in the 1986 Jukebox Royalty Proceeding was between ASCAP, BMI and SESAC, jointly, and ACEMLA. On December 4, 1987, the Tribunal published a notice declaring that a controversy existed concerning the distribution of the 1986 jukebox royalty fund, effective December 7, 1987. 52 FR 46113.

By Order, dated December 14, 1987, the Tribunal determined that the best disposition of the 1986 proceeding would be a bifurcated proceeding in which the question of the status of ACEMLA under Section 116 of the Copyright Act, whether "copyright owner" or "performing rights society," would be decided first, and then the entitlements of all the parties would be decided second.

On February 17, 1988, ACEMLA filed its written direct case on the issue of whether it was a performing rights society in 1986. On March 1, 1988, the Tribunal heard ACEMLA's direct case. On March 9, 1988, ASCAP, BMI and SESAC filed its written rebuttal case. Because the rebuttal case consisted solely of incorporation by reference of prior testimony, no hearing of the rebuttal case was necessary.

On April 8, 1988, the Tribunal met and determined that ACEMLA was a copyright owner, not a performing rights society, in 1986. 53 FR 12177. Moving on to the second phase of the proceeding, the Tribunal heard testimony on entitlement on June 2 and 3, 1988.

On September 19, 1988, the Tribunal published in the Federal Register its final determination of the 1986 Jukebox Royalty Distribution Proceeding. 53 FR 36362. None of the parties to the proceeding appealed the Tribunal's final determination.

1986 Cable Royalty Distribution Proceeding

During July, 1987, the Tribunal received 721 timely filed claims to the 1986 cable royalty fund. On December 15, 1987, the Tribunal published in the Federal Register a notice ascertaining whether any controversies existed concerning the distribution of the 1986 cable royalty fees. The parties were given until February 4, 1988 to respond. 52 FR 47626.

Upon the request of the parties who were engaged in settlement negotiations, the Tribunal postponed the deadline for responding to the ascertainment notice, first to March 4, 1988, then to April 15, 1988. On April 21, 1988, the Tribunal published in the Federal Register a notice that controversies did exist in both Phase I and Phase II of the 1986 Jukebox Royalty Distribution Proceeding. 53 FR 13144.

The Tribunal ordered Phase I direct cases to be produced on August 5, 1988. However, upon the parties's request for a delay in the filing of the written direct cases, citing that the over six hundred supplemental cable royalty filings the Copyright Office was processing would change the nature of the evidence that would be produced, the Tribunal agreed to extend the filing date to October 4, 1988.[1]

Modification of Rules of Procedure [Docket No. 88-3-RM]

The Tribunal, on its own motion, initiated a complete review of its rules and regulations during 1988. The review resulted in a proposal to revise, amend, or completely re-write over 30 different rule sections in Part 37 of the Tribunal's rules.

The Tribunal published in the Federal Register a notice of its proposed rule changes on October 31, 1988. 53 FR 43899.

The main features of the proposed rules were: (1) to eliminate unnecessary filings, such as the proposal by the Tribunal to reduce the number of copies to accompany each filing with the agency, and to eliminate the justification of claim procedure in the jukebox royalty distribution proceedings; (2) to conform the Tribunal's rules to changes in U.S. laws such as Freedom of Information Act, the Copyright Act and the recently passed amendment to Title 28 of the U.S. Code providing for the selection of the court of appeals where multiple appeals have been filed; (3) and to codify changes in the Tribunal's hearing procedures which have been followed since the 1983 Cable Royalty Distribution Proceeding.

Public comments were due to be filed December 15, 1988. Final adoption of the Tribunal's proposed changes in rules of procedure is expected in winter, 1989.

1987 Jukebox Royalty Distribution Proceeding

During January, 1988, the Tribunal received 4 timely filed claims to the 1987 jukebox royalty fund. SESAC, which filed its claim after the January filing deadline, has moved the Tribunal for leave to file a late-filed claim. The Tribunal's decision on SESAC's motion is still pending.

1987 Cable Royalty Distribution Proceeding

During July, 1988, the Tribunal received 675 timely filed claims to the 1987 cable royalty fund. SESAC, while filed its claim after the July filing deadline, has moved the Tribunal for leave to file a late-filed claim. The Tribunal's decision on SESAC's motion is still pending.

CHANGES IN CRT PLANS FOR FY 1988 AND FY 1989

As a result of the expansion of Tribunal responsibilities created by the newly enacted Satellite Home Viewer Act, the U.S. Berne Convention Treaty and the reinstatement of the syndicated exclusivity rules by the FCC, we anticipate a growth in the Tribunal's workload in comparison to preious years.

---

[1] On October 12, 1988, the Tribunal was informed that the parties had settled most of their differences in Phase I, leaving only the Program Suppliers, the Joint Sports Claimants and PBS still in controversy regarding their allocated share of the fund. On December 2, 1988, the Tribunal was informed that the Program Suppliers, the Joint Sports Claimants and PBS had settled their differences, and there remained no more controversies in Phase I. The Tribunal has scheduled hearings of the Phase II controversy for winter, 1989. A final determination in the 1986 Jukebox Royalty Distribution Proceeding is scheduled to be published in April, 1989.

CRT GOALS FOR FY 1989

In FY 1989 the CRT will continue to fulfill its requirements in the most economical manner possible and absent the appointment of additional Commissioners, will endeavor to keep the staff numbers at the present level of 5.

CRT WORKLOAD

	FY 1988	FY 1989 (est.)	FY 1990 (est.)
Timely Claims filed	679	700	1000
Proceedings pending from prior years	2	2	2
Proceedings initiated during the FY	4	3	5
Proceedings completed during the FY	2	3	3
Proceeding in progress at end of the FY	3	2	4

INTRODUCTION OF ASSOCIATES

Senator **Reid**. We are sorry that you had to spend the time listening to our discussion of the Library's boxes and dotted lines. We hope not to go through that with you.

Mr. **Ray**. Well, first of all, Mr. Chairman, it is a pleasure to be here again. It has been a long time since we have been before this Senate subcommittee. I believe the last time we were here was in 1983 for the fiscal year 1984 budget.

Appearing with me, today, are two of my colleagues, Commissioners Mario Aguero and J.C. Argetsinger, our General Counsel, Mr. Robert Cassler, and my Confidential Assistant and Budget Director, Christy Rodriguez.

Really, sir, our budget request represents a slight increase of $41,000 over fiscal year 1989, primarily due to salaries, benefits, rental space, and printing in the Federal Register.

We are asking for a total of $674,000 of which $539,000 would be derived from the copyright royalty funds, with a result of $135,000 required from the regular bill appropriations.

We derive 80 percent of our total budget from the cable and jukebox royalty funds. We have recommended to the House subcommittee that that should be increased to 85 percent or more for 1990 because most of our activities in fiscal year 1990 will be in distribution. We have little or no rate activity in 1990.

We have been deducting the 80 percent for about 3 or 4 years. There is absolutely no problem with the parties involved. It is a very small percentage.

For instance, the 1987 cable royalty funds which is before us now, is approximately $125 million.

At this time, I will be glad to respond to any questions. I will submit my written statement——

Senator **Reid**. Thank you. Tell me a little bit about the tribunal itself. How many Commissioners?

Mr. **Ray**. Well, first of all, you are looking at 50 percent of the total agency right here. We have three Commissioners, a General Counsel——

Senator **Reid**. And today here we have——

Mr. **Ray**. Fifty percent of the entire—we have eight——

Senator **Reid**. You are a Commissioner?

Mr. **Aguero**. Yes, sir.

Senator **Reid**. And there are three Commissioners?

Mr. **Ray**. Three. The statute authorizes five.

Senator **Reid**. So we have—you are Chairman of the Commission?

Mr. **Ray**. Yes; I am for this year.

Senator **Reid**. We have three Commissioners here?

Mr. **Aguero**. Three Commissioners, one assistant and the General Counsel.

Senator **Reid**. OK. And how—are you selected by the President? Who selects you?

Mr. **Ray**. We are appointed by the President and confirmed by the Senate.

Senator **Reid**. For what period of time?

Mr. **Ray**. For 7 years.

Senator **Reid**. And how often do you meet?

Mr. **Ray**. We meet every day.

Senator **Reid**. No, no, you meet everyday informally. But I thought like you had a hearing like we are having today where people in——

Mr. **Argetsinger**. We have hearings like that. We have three or four sets of hearings a year and some years the hearings are brief, 2 or 3 days of hearings, some years——

Senator **Reid**. Are these on policy issues?

Mr. **Argetsinger**. No, sir; and if I may give you just a little background. The compulsory license——

Senator **Reid**. A little would be a lot more than I have now.

Mr. **Ray**. We will be happy to provide it in writing to you.

Mr. **Argetsinger**. Believe me, sir, there are people who have been on the Senate Judiciary Committees in both Houses who forget what we do. We were organized in 1976.

Under normal copyright laws if, for example, you were channel 5 here in Washington or any other station and you wanted to show "Gone with the Wind," you would have to negotiate with the owner, MGM. Every owner is protected and he owns the property and if anyone wants to use it, they must contract with the owner and reach some sort of price.

In the 1970's, Congress became aware of the infant cable industry, and they realized that it was not big enough to deal with Hollywood and New York and Nashville.

And so instead of regular copyright protection, Congress permitted the cable television systems to pick up anything that is over the air without negotiations and that is called the compulsory license. Cable systems may use it and the owner may not complain or sue.

However, in order to compensate the owners, Congress determined that a certain percentage of the gross revenues of every cable system would be paid into a cable copyright royalty fund and then they created this entity called the Copyright Royalty Tribunal to every year distribute the money.

Senator **Reid**. To MGM, for example?

Mr. **Argetsinger**. To MGM, to Paramount, to any owner, to LoriMar, Devotional Religious broadcasters, to sports interests. Well, as you can imagine, there are thousands and thousands of owners. I would say thousands and thousands, perhaps 2,000 or 3,000.

Mr. **Ray**. Yes; but they generally come represented by a certain—a group will represent numerous contract owners for instance——

Mr. **Argetsinger**. Fortunately, eight major groups come before us.

Mr. **Ray**. ASCAP, BMI, and SESAC represents the music interest. You have the sports group which represents the NCAA, baseball, and so forth.

Senator **Reid**. So when you meet these three or four times a year what you do is decide how the money is going to be distributed? What do you do in these meetings?

Mr. **Argetsinger**. That is correct. We have full blown hearings and they come in with competing witnesses. It is very much like a courtroom situation.

Mr. **Ray**. It is court.

Mr. **Argetsinger**. And then any decisions we have are directly appealable to the court of appeals, not to the U.S. district court. And every year we have been appealed and, I am proud to say, every year we have been upheld on our appeals.

Senator **Reid**. Let me know when you have your next one and I will send staff down to watch. These are public hearings?

Mr. **Argetsinger**. Yes, sir; they are. We will be very glad to have the representatives of Congress there.

Senator **Reid**. You let me know, OK?

Mr. **Ray**. Yes; we will. We do this for jukebox—for PBS, public broadcasting. And now the Congress has just recently enacted the Home Satellite Viewers Act where we will be involved in distribution in 1990. In fact it became effective January 1989. We will have a distribution proceeding in 1990.

We also have the provision of the recently enacted Berne Convention Implementation Act, which we will be involved in.

Senator **Reid**. What is that?

Mr. **Ray**. The jukebox provision.

Senator **Reid**. OK.

Mr. **Ray**. We are projecting—during the fiscal year 1990 fiscal year about 40 to 41 actual days of hearing, but when we are not in actual days of hearing, of course, we are constantly dealing with motions from the parties. We are also involved in trying to negotiate settlements, working with the parties in reaching settlements to avoid naving long drawn out hearings.

Senator **Reid**. I understand. When you get out of one of this long drawn out hearings that sometimes are not that way, what are your day to day activities?

Mr. **Argetsinger**. It is a rare week that we do not have a motion from a party trying to dismiss someone else. There is a lot of pretrial work. We also have the questions on distributions of the funds which are tremendous mathematical problems.

Unlike most commissions, the FCC and the other larger commissions that have large staffs, we are the working commissioners. We do it ourselves. We have three personal assistants who double as secretaries. So we have to dig out the information ourselves. About 4 years ago we hired a General Counsel after Congress indicated that they thought that would be a very good expenditure of money. We write the decisions.

Senator **Reid**. Well, that has been very informative.

Mr. **Ray**. Mr. Chairman, we would be very happy to provide you and members of the subcommittee with a detailed report.

Senator **Reid**. Do not make it too detailed. I will not read it.

Mr. **Ray**. We will give you a summary report of it.

Senator **Reid**. That is good.

Mr. **Ray**. In fact, I think we sent it over last week, did we not, Christy.

Senator **Reid**. Oh, you have already sent it?

Mr. **Ray**. Yes; to—who did you send it to Christy?

Ms. **Rodriguez**. To Mr. Bonham.

Mr. **Ray**. And any questions that you might like to ask——

Senator **Reid**. We do have some questions.

Mr. **Ray**. In writing we can——

Senator **Reid**. Yes; we do and we will do that. You have answered some of the questions and I think that this has been informative for me and I do have some question that staff has prepared for me to submit to you in writing and I will do that.

In the time to come, perhaps, one or a couple of you should come in and visit with me and we will talk about your duties in more detail. I am interested. And maybe there is something we can do to help you.

Mr. **Ray**. Thank you, sir.

Senator **Reid**. You are welcome. Sorry you had to wait around, but for me it was worth it.

Mr. **Argetsinger**. We work closely with the Library of Congress and with the Copyright Office there. So we are always interested to hear what they have to say.

Senator **Reid**. Very good.

Mr. **Ray**. In fact, the Library of Congress—we farm out the contract—our administrative work to the Library of Congress.

Senator **Reid**. Oh, I see.

Mr. **Ray**. For a fee. That is part of our budget. It is $20,000 this year.

ADDITIONAL COMMITTEE QUESTIONS

Senator **Reid**. Thanks a lot. We will submit some questions for your response in the record.

Mr. **Ray**. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

Questions Submitted by Senator Harry Reid

Question. On average, how many distribution cases do you handle in a 1-year period? How many staff-hours are required for an average case?

Answer. In a 1-year period, the Tribunal has averaged 2 to 4 distribution cases. With the new responsibilities under the Satellite Home Viewer Act, we project that this number will increase in fiscal year 1990 and fiscal year 1991. Nearly 100 percent of the staff's time is utilized on distribution proceedings in nonrate adjustment years. Thus, for each individual proceeding approximately one-fourth of the year's total employee hours is expended—that is, 510 employee hours per quarter year times 4 staff equals 2,080 hours per proceeding.

Question. Why are there fewer hearing dates anticipated in 1990 (1989 equals 50 days, 1990 equals 40 days)? With rate reviews for secondary transmissions of copyrighted works by cable systems and public performances of nondramatic musical works (jukeboxes) due to commence in 1990, it would seen that more hearing days would be anticipated.

Answer. It is estimated that there will be fewer hearing days in 1990 than in 1989 because the recently implemented Berne Convention will eliminate the need for the lengthy jukebox hearings beginning in 1990.

Question. In your budget justification you show $20,000 for "Cost of Hearings". Please provide a breakdown of the services funded under this category.

Answer. The only expense that we charge to "Cost of Hearings" is the services of the transcription services, which are approximately $500 per day. This cost includes only the court reporter and transcripts of hearings.

Question. You are requesting a $29,000 increase for personnel compensation for fiscal year 1990. How much of this increase is for the fiscal year 1988 pay raise, the fiscal year 1989 pay raise and for periodic step increases?

Answer. The requested $29,000 increase for personnel compensation is broken down as follows: 1988 cost of living increase pay raise, $8,000; 1989 cost of living increase pay raise, $16,000; periodic step increases, $5,000 for a total 1990 pay increase request of $29,000.

GOVERNMENT PRINTING OFFICE

STATEMENT OF JOSEPH E. JENIFER, ACTING PUBLIC PRINTER

ACCOMPANIED BY:

DONALD E. FOSSEDAL, ASSISTANT PUBLIC PRINTER (SUPERINTENDENT OF DOCUMENTS)

M. JOSEPH CANNON, ASSISTANT PUBLIC PRINTER FOR FINANCIAL POLICY AND PLANNING

OPENING REMARKS

Senator **Reid**. Our final witness this morning is the Acting Public Printer, Mr. Joseph Jenifer, who will present the fiscal year 1990 request of the Government Printing Office.

Mr. Jenifer, your prepared statement will be made part of the record. If you would care to summarize your statement, we would appreciate that, as we have some questions for you.

It is a pleasure to have you here. I would ask you to introduce your colleagues and proceed to summarize your statement.

Again, I recognize that you have had to wait for not only the Library of Congress, but also this last group of witnesses, and appreciate very much your patience and understanding. But Fridays are sometimes about the only time we have for hearings that are not interrupted with votes.

And even though you think this took a long time, you are lucky you were not here yesterday when we had four or five votes where we kept jumping up and down to try to finish a hearing.

Mr. **Jenifer**. Thank you, Mr. Chairman.

My colleagues and I——

Senator **Reid**. Let me just interrupt. What happened to your predecessor? I remember his testimony before us.

Mr. **Jenifer**. Ralph Kennickell from last year.

Senator **Reid**. He was a professional printer.

Mr. **Jenifer**. He was. He was from Savannah, GA. He is now the director of the Graphic Arts Technical Foundation in Pittsburgh.

Senator **Reid**. The director of what?

Mr. **Jenifer**. The Graphic Arts Technical Foundation or as we refer to it, GATF. He accepted that position last November.

Senator **Reid**. It sounds interesting. Is it a good job?

Mr. **Jenifer**. It is a good job. It is a highly respected job in our industry.

Senator **Reid**. Well, great. Please proceed.

SUMMARY OF GENERAL STATEMENT

Mr. **Jenifer**. As I was stating, my colleagues and I are pleased to be here with you today to present GPO's appropriation request for fiscal year 1990.

I would like to introduce my staff that is here today. To my left I have Don Fossedal, who is the Superintendent of Documents. To my right is Joe Cannon, who is the Assistant Public Printer for Financial Policy and Planning. Directly behind me is Grant Moy, our General Counsel. Next to him is Andy Sherman, who is the staff assistant to the Assistant Public Printer for Financial Policy and Planning. To his right is Thomas Muldoon, who is the Director of the Office of Financial Planning and next to him is Bill Guy, our Budget Officer.

In the interest of time, as you have mentioned, I will summarize the statement.

For fiscal year 1990 we are requesting $110.4 million for those programs that require appropriations directly to GPO. This is an overall increase of $13.2 million or about 14 percent.

The request consists of $84.9 million for the congressional printing and binding appropriation and $25.5 million for the salaries and expense appropriation of the Superintendent of Documents.

In addition to funding requirements, my prepared statement also requests various changes to GPO's authorizing and appropriations legislation, as well as referencing a variety of other issues of interest to Congress.

In particular, I would like to make the subcommittee aware of a cooperative effort involving GPO, the Department of Education, and the private sector printing industry to combat the problem of illiteracy in America.

As the chairman noticed recently in his remarks on a proposed Illiteracy Elimination Act, public/private partnerships can be an effective means of attacking illiteracy, and I pledge GPO's continued support to erase this national problem.

I would also like to call the subcommittee's attention to a report published recently by the Office of Technology Assessment. It is entitled "Informing the Nation: Federal Information Dissemination in an Electronic Age."

This ground-breaking study details the impact of computers and other information technologies on Federal information policies, and it calls for a number of changes.

We are currently preparing to act on the OTA's findings, and I have devoted a substantial portion of my prepared remarks today to a review of these findings and their impact on GPO.

I am pleased to note that the Senate has established a new Subcommittee on Government Information and Regulation. I believe this new subcommittee will be a significant asset in restoring Congress' traditional leadership in Federal information policy.

GPO will provide the subcommittee with whatever assistance it needs as it considers the important issues confronting Federal information policy today.

PREPARED STATEMENT

Mr. Chairman, that concludes my remarks, and I would be pleased to answer any questions that the subcommittee might have.

[The statement follows:]

STATEMENT OF JOSEPH E. JENIFER

My colleagues and I are pleased to be here today to present the funding requirements necessary to carry out the responsibilities of the GPO (Government Printing Office) for Fiscal Year 1990.

Assessment of GPO

I have been serving as Acting Public Printer since November 1988, when the Honorable Ralph E. Kennickell, Jr., left the Government for the private sector. I have built my entire career at GPO, beginning there in 1954. Since graduating from GPO's Apprentice Program in 1961, I have held a number of GPO management positions, including Superintendent of the Electronic Photocomposition Division, Assistant Public Printer (Planning), Executive Advisor to the Public Printer, Assistant Public Printer (Operations), and, since 1985, Deputy Public Printer. I look upon GPO with a great deal of affection and admiration, and I pledge to serve it to the best of my abilities while I am the Acting Public Printer.

As a 34-year veteran of GPO, I have formed a number of impressions about the challenges that GPO faces today and about how they can be addressed. GPO has made substantial progress in recent years in implementing new electronic systems to improve services to Congress, Federal agencies, and the public. This progress must continue if GPO is to retain its role as an effective instrument of Federal information policy. Increasingly sophisticated programs and operations are requiring an expansion of GPO's capability to provide training, development, and upward mobility programs for its employees. At the same time, the reduced growth of Federal spending is imposing an increasing responsibility on GPO to cut costs. To cope with the rapid pace of technological change in an era of fiscal constraint, GPO needs to develop and adhere to a strategic planning process that establishes specific goals, methodologies, and timetables for achieving its objectives.

With the advice and guidance of Congress and the JCP (Joint Committee on Printing), these will be the overall goals for the management of GPO while I am the Acting Public Printer.

Appropriations Request

For Fiscal Year 1990, I am requesting $110.4 million for those programs that require appropriations directly to GPO. This is an increase of $13.2 million, or about 14 percent, over the funds approved for Fiscal Year 1989, including transfers from the GPO Revolving Fund.

The increase is primarily for anticipated volume increases for Congressional printing, the Fiscal Year 1990 Bound Congressional Record, and printing and postage costs associated with increased distribution of paper copies to foreign libraries served by the International Exchange Program. Increased funds are also requested to cover preceding fiscal year obligations for Congressional printing.

The request consists of $84.9 million for the Congressional Printing and Binding Appropriation and $25.5 million for the Salaries and Expenses Appropriation of the Superintendent of Documents.

Congressional Printing and Binding Appropriation

The request for the Congressional Printing and Binding Appropriation represents an increase of $12.9 million over the funding approved for Fiscal Year 1989. A major component of this increase is approximately $4.1 million to fund the Fiscal Year 1990 Bound Congressional Record. Projected volume and price increases for the Daily Congressional Record and a volume increase for Bills, Resolutions, and Amendments are the other primary components of the requested increase in funds. In addition, $5 million is being requested to cover preceding fiscal year obligations.

Prior Fiscal Year Obligations. The requirement to fund preceding fiscal year obligations is due to unanticipated and unusually heavy Congressional printing requirements in Fiscal Year 1988. Daily Congressional Record pages were estimated at 37,000 for the year. A total of 40,800 pages were actually printed, however, costing an additional $1.2 million. In the Bills, Resolutions, and Amendments category, volume was estimated at 96,000 pages; actual pages printed plus obligations totaled 136,000 pages, costing an additional $3.2 million. Total Committee Report pages were estimated at 39,000; actual pages printed plus obligations totaled 130,000 pages, costing an additional $2.6 million. The increased volume of Committee Report pages was primarily due to the Iran-Contra report.

Bound Congressional Record. The last Bound Congressional Record completely distributed was for the 96th Congress, 2d Session (1980). The 1981 Bound Congressional Record, including Index and Digest, has been completed and delivered to Congress (additional copies of the 1981 Index and Digest are being completed for the Superintendent of Documents Sales of Publications Program). With the exception of the 1982 Index which GPO expects to complete in the near future, the 1982 and 1985 Bound Congressional Records have also been completed and delivered to Congress.

The remaining Bound Congressional Records for 1983 through 1986 are in various stages of production. At this date, GPO expects to complete all prepress work on these Bound Congressional Records by mid-year 1989, with final delivery (excluding the Indexes and Digests) by the end of the year. Work recently began on the 1987 and 1988 Bound Congressional Records, and is expected to be completed (except for the Indexes and Digests) during 1990. Although funding for the Bound Congressional Records for 1986 through 1989 has been deferred, GPO has been directed by Congress to perform work on these publications using available funds. However, it may become necessary to request additional funds in the future to complete this work.

Volume Increases. Volume increases based on historical workload patterns for the second session of Congress are anticipated for all categories of Congressional printing, with the exception of Miscellaneous Publications and Hearings. The number of pages for the Daily Congressional Record is estimated to increase by about 18 percent in Fiscal Year 1990, and a 15-percent volume increase is estimated for Bills, Resolutions, and Amendments. A 34-percent volume decrease is anticipated for Miscellaneous Publications because the complete reprinting of the U.S. Code, performed every 6 years and consisting of 34,000 pages, is being accomplished in Fiscal Year 1989.

Salaries and Expenses Appropriation

The request for the Salaries and Expenses Appropriation represents an increase of $345,000 over the total funding approved for Fiscal Year 1989. The approved funding for Fiscal Year 1989 included $11.4 million in transfers from the GPO Revolving Fund.

International Exchange Program. The increase requested is primarily for printing and postage costs associated with implementing a new system for the selection and distribution of documents which has been recommended by the Working Group on International Exchange Service. Under this recommendation, the formats distributed to foreign libraries are expected to shift from the current ratio of 10 percent paper/90 percent microfiche, to 40 percent paper/60 percent microfiche. The shift in formats will also require the Superintendent of Documents to expand the existing lighted-bin distribution system, resulting in increased program costs for supplies and related engineering services and automated data processing support.

Sales of Publications Net Income. For the past 4 fiscal years, Congress has directed that net income from the sale of Government publications be used to offset the requirements for new budget authority in the Salaries and Expenses Appropriation. A total of $3.8 million in net income from Fiscal Year 1988 publications sales is available for this purpose for Fiscal Year 1990. The net income for Fiscal Year 1988 declined relative to Fiscal Year 1987 net income primarily due to increased program costs, and to decreases in revenue from reduced subscriptions for the Commerce Business Daily.

Depository Distribution of the Bound Congressional Record. The Superintendent of Documents has been directed by the JCP to provide paper copies of the Bound Congressional Record to those depository libraries which request them. Since funding for distribution of paper copies of the Bound Congressional Record was not included in the Salaries and Expenses Appropriation in prior years, in compliance with the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings), I am requesting the approval of Congress to use available unexpended funds for this purpose. For Fiscal Year 1990, I am requesting a change in the authorizing language for the Salaries and Expenses Appropriation to permit the Superintendent of Documents to use the unexpended balances of funds obligated for the cost of printing publications for distribution to depository libraries from the Salaries and Expenses Appropriations for Fiscal Years 1986, 1987, 1988, and 1989.

Statutory Employment Ceiling

I am requesting the elimination of the statutory ceiling on the employment of GPO FTE's (full-time equivalents) contained in the appropriations language for the Revolving Fund since Fiscal Year 1986. Total GPO employment has declined by 25 percent since the beginning of Fiscal Year 1981 through a continued hiring freeze and policy of attrition. Since the employment targets established by the ceiling would have been achieved in any case, the ceiling itself has had a negligible effect on personnel reductions. The elimination of the ceiling would not lead to overall staff increases.

The flexibility to adjust resource levels to match demand for services is one of the basic advantages of GPO's Revolving Fund. Unfortunately, this flexibility is compromised by the statutory FTE ceiling. Under the ceiling, GPO management is compelled to allocate authorized FTE's according to on-board employment levels in order to avoid involuntary reductions-in-force. GPO needs the flexibility to hire qualified personnel to staff undermanned operational areas while continuing to reduce staff in other areas, particularly various administrative overhead areas. If Congress retains the statutory ceiling on FTE's, I request that the Revolving Fund language be amended to apply an FTE ceiling only to GPO overhead areas.

Economy Act Waiver

For FY 1990, GPO had submitted a request for an Economy Act waiver as part of its original budget submission to OMB (Office of Management and Budget) and the Congress. Subsequently, however, the Economy Act was repealed by section 7 of the Public Buildings Amendments of 1988 (P.L. 100-678), effective November 18, 1988. The new law requires GPO to obtain approval from the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives for expenditures in excess of $750,000 for alterations to a leased building. In view of this new requirement, GPO's request for an Economy Act waiver for Fiscal Year 1990 has been withdrawn.

Status of Land Disposal

Last year, GPO was authorized, subject to the approval of the JCP, to dispose of a small parcel of land located at First Street and G Place NE. The APA (American Psychological Association) has agreed to buy the land, and the JCP has approved the proposal to sell. To date, the actual sale has not been finalized. The transaction will be completed pending settlement of the sale of an adjoining property between APA and the District of Columbia Redevelopment Land Agency and the Washington Metropolitan Area Council of Governments.

Authorization to Implement Flexitime

Since Fiscal Year 1986, GPO has made legislative proposals to obtain the authority to implement flexible or compressed work schedules for professional and non-crafts personnel under existing flexitime legislation. As a Legislative Branch agency, GPO was excluded from that legislation. This authority would enable GPO to devise alternative work schedules to enhance equipment utilization and provide for increased coverage of existing operations in various administrative areas, as well as provide covered employees with the same work shift options enjoyed by other Federal employees. A request for authorization to implement flexitime work schedules was included in GPO's Fiscal Year 1989 appropriations request, but was denied. I am re-submitting the request for flexitime authorization this year, along with proposed changes to the applicable provisions of Title 5 of the U.S. Code.

Limitation on Flexitime

Should Congress approve GPO's request for flexitime authority, I am also requesting the addition of language prohibiting the application of any flexible or compressed work schedule to GPO managers at grade levels equivalent to or higher than GS-15. This will ensure that GPO's managers remain on duty and are responsive to requests from Congress and Federal agencies during normal work-week hours.

Public Printer's Pay Level

The current salary of the Public Printer is set at Executive Level IV, as established by Congress in 1975 in an Act amending Title 44 of the U.S. Code, section 303 (P.L. 94-82). This is the equivalent of one grade level below the Librarian of Congress and the Architect of the Capitol. To re-establish parity between the pay levels of Legislative Branch agency heads, I am requesting an increase in the pay level of the Public Printer to Executive Level III.

Before 1983, the Public Printer's pay level was equal to those of the Librarian of Congress and the Architect of the Capitol, who as Legislative Branch agency heads share with the Public Printer day-to-day accountability and responsibility to Congress. Equivalent pay levels for the three positions were contained in the Government Employees Salary Reform Act of 1964, establishing a "new, consistent, and rational salary structure for positions of the highest level in the Federal Government in the legislative, executive, and judicial branches." Pay equivalency for the three positions was retained in the recommendations of the Commission on Executive, Legislative, and Judicial Salaries in 1969 and again in 1977. In the interim, the equivalency of the Public Printer's pay level with the Librarian of Congress and the Architect of the Capitol was codified in Title 44 by P.L. 94-82. Pay equivalency among the three positions was eliminated in 1983, however, when the Librarian of Congress was raised to Executive Level III in a supplemental appropriation bill. The Architect of the Capitol's pay level was increased at some other point in time in other legislative action.

In view of the similarity of the Public Printer's role to the roles of the Librarian of Congress and the Architect of the Capitol, and of the numbers of employees they supervise, currently there is a lack of parity in the designated pay levels. Therefore, I am proposing a technical change to Title 44, section 303, advancing the Public Printer's pay to Executive Level III, and the pay of the Deputy Public Printer from Executive Level V to Level IV. The change for the Deputy Public Printer will conform to other existing deputy agency head pay levels, at one grade below the agency head.

Limitation on Attendance at Meetings

I am proposing an amendment to Title 44, section 309, to delete the $3,000 limitation on travel to meetings funded by the GPO Revolving Fund in any fiscal year. This provision, which was enacted in 1956, has proven to be ambiguous and subject to interpretations that either were not intended or have been superseded by subsequent legislation and interpretations over the last 30 years. Travel funded by GPO is authorized in several categories: travel necessary for the discharge of employees' official duties; travel which will contribute to improved conduct, supervision, or management of the operations of GPO; travel authorized under the Government Employees Training Act of 1958; and travel expenses of the advisory councils to the Public Printer. In view of these other authorities for travel, and in view of the fact that the $3,000 limitation is archaic by the standards of today's travel costs, I request the elimination of this provision from Title 44.

Superintendent of Documents Credit Card Improvements

The Superintendent of Documents, in cooperation with the Treasury Department, recently implemented a change that will reduce the cost of credit card sales to GPO. The Superintendent of Documents accepts Visa and MasterCard in payment for publication and subscription sales orders. During Fiscal Year 1988, GPO incurred approximately $170,000 in bank processing fees for this popular service. On April 1, 1989, GPO became a participant in the Treasury Department's Credit Card Collection Network, which now pays GPO's credit card processing fees. Because of this change, GPO receives credit card services without any processing costs.

Need For New Building

In 1982, a GAO report on GPO's Central Office buildings found that space limitations imposed by low ceilings, building columns, and multiple stories restrict efficient materials handling operations and production equipment alignments, and require the use of satellite facilities in the metropolitan Washington, DC, area for extra office and storage space [GAO, Report to the Chairman, JCP, "GPO Needs to Analyze Alternatives to Overcome Limitations in Government Printing Operations," PLRD-

82-20 (January 4, 1982)]. The report also noted that the age of GPO's buildings requires a substantial annual investment in buildings renovation and maintenance. GAO recommended continued analysis of options to remedy these inefficiencies, including the construction of a new building. While the recent OTA (Office of Technology Assessment) report on Federal information dissemination found that GPO's buildings generally are comparable to many private printers' buildings, it also recommended that GPO explore measures to eliminate current building inefficiencies.

Accordingly, GPO is examining the cost-effectiveness of continued renovation and maintenance of the existing plant, along with the possibility of consolidating outlying GPO facilities with the Central Office complex. GPO is also examining other options, including strategies for leveraging the value of GPO's real estate holdings against the cost of constructing a new in-line printing plant. As GPO has demonstrated in past proposals for a new building, an in-line plant would eliminate current materials handling, storage, and equipment alignment problems as well as current renovation and maintenance costs.

GPO Child Care Center

Surveys conducted by GPO indicate that there is a pressing need for child care among GPO employees today. Accordingly, as part of my commitment to improving the working conditions for GPO employees, I recently approved a proposal to establish an employee-funded and operated non-profit GPO Child Care Center. The Center would be modeled on the Senate Child Care Center currently in operation. Because sufficient space is not available in our present buildings, GPO intends to lease space for the Center, bear design and renovation costs, and provide supplies and equipment in addition to a modest one-time only start-up grant. In return, the Center would improve employee retention and attendance rates, and enhance job performance by reducing the anxiety of employees worried about the care of their children. The JCP endorsed in principle the establishment of a GPO Child Care Center in 1985.

Impact of New Inspector General Act

The Inspector General Act Amendments of 1988 (P.L. 100-504) amended Title 44 to provide GPO's IG (Inspector General) with the same authorities held by other statutory IG's in the Federal Government. The primary impact of this Act is to give GPO's IG independent authority to issue subpoenas during the course of any audit or investigation, an authority GPO had sought through legislative proposals since 1986. The Act also gives GPO's IG independent personnel selection and appointment authority, to be exercised under the provisions of GPO's existing personnel system and procedures. IG personnel levels will remain subject to FTE and budget allocations authorized by the Public Printer.

Alkaline Paper

In his recent remarks on permanent papers, Senator Pell noted that "we are faced with a national problem of deterioration of valuable publications because of the high acid content of paper in use since the mid-19th century." Where Government documents are concerned, there has been a growing awareness at GPO of the need to counter this problem through the increased use of alkaline papers. Alkaline papers generally have a much longer life than acid papers since the chemicals that tend to cause degradation at acid pH's have either been significantly reduced or totally removed from the paper production process. Depending on other archival conditions, these papers can be a major factor in the longevity and preservation of paper format documents.

Under Title 44, the JCP establishes the quality of paper used in Government printing and binding. GPO's role in paper usage is limited to buying the paper and supplying commercial printing contractors with appropriate standard samples. The JCP paper standards are established around those papers that are readily available on the commercial market which are the least expensive grade suitable for the Government's use. The standards currently in use include a standard for alkaline papers, although the actual use of these papers depends on their conformity to other job specifications as established by the customer agency.

Until recently, a readily available supply of alkaline papers was limited by production technologies in the paper industry itself. Moreover, since Government printing constitutes only 2.5 percent of the total annual consumption of paper in the United States, the Government has not been in a position to demand increased availability of alkaline papers. Fortunately, the paper industry today is converting to increased production of alkaline papers as an economical alternative to acid production methods. As commercial availability improves for both Government inplant use and commercial printers, more extensive use of alkaline papers in Government printing and binding will be possible, depending on the continued inclusion of these papers in the JCP paper standards and customer agency job specifications.

Recycled Paper

GPO recently initiated an affirmative program for the procurement of newsprint, catalog/directory, high grade printing and writing papers, and paperboard containing the maximum amount of waste or recycled paper practicable, in compliance with guidelines established by the EPA (Environmental Protection Agency) under Section 6002(e) of the Resource Conservation and Recovery Act of 1976, as amended. However, while GPO's recycled paper program will contribute to improved resource conservation, it will not necessarily assist the emerging national program to encourage the use of permanent papers in Government documents because the chemicals and bleaches used in manufacturing recycled papers tend to increase acidity. Although the EPA found that it is feasible to procure acid-free papers while meeting the recycled paper content standards, it was able to identify only two paper mills currently producing acid-free recycled papers. Thus, until more paper mills begin to utilize acid-free production methods for recycled papers, there is likely to be conflict between the resource conservation goals of recycled paper usage and the preservation goals of permanent paper usage.

New Program for Small Disadvantaged Businesses

In compliance with section 843 of the Fiscal Year 1989 National Defense Authorization Act (P.L. 100-456), GPO has established a test program to assist SDB's (Small Disadvantaged Businesses) in winning printing contracts required for the Defense Department. Under the program, up to 5 percent of the value of printing, binding, and related services procured by GPO for the Defense Department in Fiscal Year 1988 has been set aside for SDB's for the remainder of Fiscal Year 1989. Based on this formula, the program can award contracts to SDB's valued at up to $10.6 million.

GPO will continue to adhere to all other requirements of the competitive bidding system. Awards will be made to responsible bidders submitting the lowest, responsive bids. The only exception is that the bidders must be SDB's to qualify for the award. Procurements set aside under this program are clearly identified when issued. GPO fully supports this program, which is currently operating out of the Central Office. After the first year of operation, the program will be expanded to GPO's regional offices.

Campaign Against Illiteracy

Since 1987, GPO has been actively participating in the national campaign against illiteracy. GPO employees have been encouraged to provide voluntary reading instruction services through the FELT (Federal Employee Literacy Training) Program, under the auspices of the Adult Literacy Initiative of the Department of Education. In May 1988, the Department of Education and GPO sponsored a symposium for the graphic arts industry entitled "The Image of Print Media and the Problem of Functional Illiteracy in the United States." The symposium resulted in the establishment of a public sector-private sector partnership known as the Erase Illiteracy Coalition to increase public awareness of the problem of illiteracy, involving GPO, the Department of Education, the Outdoor Advertising Association of America, the Printing Industries of America, Inc., and other organizations. GPO has also submitted a design proposal for a U.S. Postal Service stamp or postal card representing the campaign against illiteracy. GPO will continue to assist the graphic arts industry in its efforts to combat the problem of illiteracy.

FAR Amendment

In 1987, an amendment to the FAR (Federal Acquisition Regulations) was proposed that would have permitted Executive Branch agencies to conduct their own in-house printing and printing procurement operations without the approval of the JCP, as required by Title 44, section 501(2). The amendment was based on the Justice Department's opinion that the JCP approval requirement is unconstitutional under the Supreme Court's decision in *INS v. Chadha*, overturning the legislative veto. The FAR amendment, however, would establish a system of decentralized Federal printing that is unjustifiable from the standpoint of the legislative history of Title 44, current fiscal policy, and sound management principles.

The FAR amendment went into effect July 1, 1987, but Congress blocked its implementation in the Legislative Branch Appropriations Acts for Fiscal Year 1988 and Fiscal Year 1989. In August 1988, in response to the Congressional prohibition, the FAR Secretariat requested comments on a proposal to withdraw the amendment, but to date has taken no final withdrawal action.

The recently released OTA study of Federal information dissemination contains information that bears on the FAR amendment controversy. In the study, OTA compared the cost of 20 sample jobs performed inplant at GPO's Central Office and regional printing offices, by agency inplant printing operations, and purchased commercially by GPO and agency procurement operations. According to OTA, this cost comparison demonstrates that:

> GPO-procured printing is substantially less expensive than either GPO inplant or agency inhouse printing for these sample jobs. [While] GPO central plant printing is generally more expensive than GPO regional inplant printing...agency inplant printing is generally, but not always, more expensive than GPO inplant (central or regional) printing...The results also suggest that GPO-procured printing is less expensive than or at least competitive with printing [procured] by individual agencies directly from private printers. (OTA report, p. 283; emphasis added.)

In my opinion, OTA's cost comparison suggests that the implementation of the FAR amendment will lead to increased printing costs by the Government for the same services currently provided by GPO. In view of the fact that the proposal to withdraw the FAR amendment has not been finalized, action by Congress for Fiscal Year 1990 may again be necessary to prevent its implementation.

Legislative Waivers to Bypass Title 44

In 1988, four Federal agencies (the Territorial Sea Commission, the National Oceans Policy Commission, the Commission on the Bicentennial of the Constitution, and the research institutes of the National Institutes of Health) obtained legislative authority to bypass the requirement in Title 44 that they use GPO for their printing, binding, and distribution needs. The first two agencies were exempted from all provisions of Title 44. The latter two were exempted only from the requirement to use GPO for printing and binding, but not from the depository library requirements of the law.

While the practical effect of these particular waivers on GPO will be minimal, I oppose any further erosion of the legislative intent of Title 44 and the Federal Printing Program by legislative waivers. In effect, these waivers circumvent Congress' prohibition on the implementation of the FAR amendment. If similar waivers are granted to other Federal agencies, the result will be increased costs, duplication, and waste in Federal printing.

AFGE Negotiations

In June 1988, GPO was directed by the JCP to negotiate the wages of employees in Central Office bargaining units represented by the AFGE (American Federation of Government Employees), pursuant to the Kiess Act provisions of Title 44. This unit represents approximately 1,300 white collar employees in the Central Office. GPO management has conducted negotiations in good faith with AFGE representatives, but the labor-management negotiating teams have reached an impasse. In accordance with the law, therefore, the issues have been referred to the JCP for a decision.

Electronic Dissemination Task Force

In response to the need to examine electronic information dissemination technologies in a more focused manner, I have established an Electronic Dissemination Task Force to coordinate ongoing electronic dissemination projects and provide for a continuing review of electronic dissemination opportunities as they arise. This group reports directly to the Public Printer and is exploring opportunities for utilizing those technologies, in formats other than ink-on-paper, to reduce costs and provide better services to GPO's customer agencies and the public. Currently, the Task Force is providing coordination and guidance for the development of an on-line search and retrieval system for the Congressional Record, the transmission of Federal Register data via FM subcarrier and satellite dish, expanded dissemination in CD-ROM technology, the potential for dissemination of information in electronic formats to depository libraries, and other projects.

Competing Definitions of "Publication"

As set forth in various resolutions and other policy guidance, the JCP has instructed GPO to provide dissemination services for Government information products in electronic formats, whenever such products are produced for general distribution, either as complements to or substitutes for conventional printed products.

OMB, however, has construed the meaning of "publication," as used in Title 44, to exclude Government information products in electronic formats.* Specifically, in a letter to the Chairman of the JCP dated September 29, 1988, the Director of OMB stated:

> Executive branch agencies are providing electronic information products to Depository Libraries voluntarily and not as a legal obligation. We do not believe that government publications, as defined in 44 U.S.C. 1908 [sic], include government information in electronic format.
>
> Any executive branch agency providing electronic information products to the Depository Libraries retains the prerogative itself to disseminate such products in the manner it determines best for proper performance of agency functions.
>
> Executive branch agencies are under no obligation to procure electronic information products, whether for their own use or for the public's use, through GPO.

The competing definitions of "publication" are making it difficult to assign proper institutional responsibilities for the dissemination of Government information. GPO supports the JCP's position that Federal agencies should use GPO programs to disseminate publications, including information reproduced in electronic formats. Agency compliance with OMB's interpretation, however, may result in a reduction in the amount of Government information disseminated through GPO programs, especially for as Federal agencies continue to convert information products from conventional ink-on-paper formats to electronic formats. In particular, such compliance may result in a reduced amount of Government information made available to the public through depository libraries, jeopardizing the efficacy of the Depository Library Program and appropriations made to GPO for that purpose.

In January 1989, OMB published a notice in the Federal Register concerning proposed revisions to OMB Circular No. A-130, "Management of Federal Information Resources" (December 12, 1985). The notice, which subsequently was withdrawn by OMB in early April due to widespread opposition, appeared to incorporate OMB's view that the term "publication" refers to "printed Government documents" only, and that information products in electronic formats are not subject to Title 44 requirements requiring dissemination through GPO programs. In written comments submitted to OMB before the notice was withdrawn, I went on record in support of the JCP's construction of Title 44. As OTA found in its recent study of Federal information dissemination, however, Congressional action may be necessary in order to clarify and preserve the legislative intent of Title 44.

OTA Study

Because of the implications for GPO, I am devoting a substantial portion of my statement today to the recently released OTA study of Federal information dissemination, Informing the Nation: Federal Information Dissemination in an Electronic Age (October 1988). Conducted at the request of the JCP and other Congressional committees, the OTA report is a comprehensive analysis of the impact of electronic information technology on the Federal information establishment, and highlights a variety of actions that may be considered by Congress, GPO, and Federal agencies to meet the challenges and opportunities of the Electronic Age. GPO provided assistance to OTA in the conduct of this study and we are reviewing the study's results for their application to GPO operations.

Transition to Electronic Technologies. OTA concludes that the Government has already begun the transition to significant use of electronic technologies and formats, and has developed the following projections:

- For the near term (1-3 years), there will be a steady state in demand for ink-on-paper formats (currently the primary GPO format) throughout the Government. Rapid growth in electronic formats will continue, but it will constitute only a small percentage of total demand.
- For the mid term (3-5 years), OTA projects the beginning of a measurable decline in demand for paper formats. Demand for electronic formats is likely to reach displacement levels for several types of Government information (e.g., statistical, bibliographic, reference, and scientific and technical information). GPO is likely to be vulnerable to decreased demand for paper formats as Federal agencies continue to convert to electronic information technologies.
- For the long term (5-10 years), there will still be a significant demand for traditional books, reports, and other publications, although electronic formats are likely to dominate for many kinds of Government information. The study identifies a number of traditional GPO products which are particularly vulnerable to substitute electronic media in the coming years, including Defense Department publications, the Federal Register, the U.S. Code and a variety of Congressional information products.

Current Demand for GPO Services. Despite the inroads made by electronic technology to date, OTA found no evidence of a historical weakness in demand among Federal agencies for GPO's conventional printing and distribution services. To the contrary, the study found that the majority of GPO's customer agencies are either satisfied or very satisfied with GPO's services, including publications layout, composition, printing quality, printing timeliness, binding, cataloging, marketing/sales, distribution, and depository library services.

The major area of customer agency concern reported in the study was the relatively high cost of GPO's main plant printing. While this cost is dictated by a combination of GPO's unique product mix, short turnaround scheduling requirements, and comparatively high overhead costs (many of which are due to the provision of services unique to a Government agency), it nevertheless will be a major determinant affecting future demand for GPO's services as electronic technology offers an increasingly greater range of economical information alternatives.

Strategic Implications. The Governmentwide transition to electronic information technology raises a number of strategic implications for GPO. As Federal agencies resort to their own inhouse electronic media to fulfill their information missions, GPO will be confronted with rising printing costs due to declining volume. The decentralization of dissemination functions is also likely to result in a declining volume of Government information available to the public through GPO's Sales of Publications and Depository Library programs.

In addition, Title 44, which was developed in the pre-electronic era, is increasingly unable to resolve new issues raised by electronic information technology. As I have noted, the increasing lack of distinction between "publication" and "database" is making it more difficult to determine proper institutional responsibilities for the reproduction and dissemination of Government information.

Alternatives for GPO's Future. The OTA report concludes that Congressional action is needed to resolve these and other issues, and identifies a variety of technical and policy alternatives for Congress and GPO to consider. Among these are three institutional alternatives for GPO's future: a GPO limited to providing conventional printing services to the Legislative Branch only; a centralized GPO providing conventional printing and distribution services to the entire Federal Government; and a GPO providing both conventional and electronic services to the entire Government within a decentralized, competitive information environment. I view the third alternative as the most realistic and practical option for the future of GPO and Federal information policy.

Decentralized/Electronic Alternative. Under this alternative, GPO would continue to provide centralized conventional printing services through both inplant production and commercial procurement, expand the range of electronic services to customer agencies, and disseminate Government information in both paper and electronic formats. OTA also recommends that GPO develop and maintain a Governmentwide information index and take an active role in standards-setting and training activities concerning electronic technology. Overlaid on this alternative is the assumption that a decentralized Government information system will emerge in which Federal agencies will have the option either to use GPO's electronic services or their own systems to reproduce and disseminate information. To function in this environment, GPO will have to become increasingly competitive in its rates and service options.

As OTA itself notes, this alternative "most closely aligns with the current development path of GPO." Since completing the transition to electronic photocomposition, GPO has been involved with a significant range of modernization activities and electronic technology applications, under the guidance of Congress and the JCP, which have resulted in cost reductions and productivity improvements at GPO, and which have facilitated the continuing transition to electronic information technologies Governmentwide. These activities include:

- continuing improvements to GPO's automated composition system;
- development of the online dialup composition system for customer agencies;
- facilitation of other customer electronic publishing efforts through the use of fiber optic cables; full-text database systems, floppy disk conversion systems; and the establishment of "mixed resource" contracts featuring automated information storage, retrieval, and printing systems;
- development of a pilot system for online search and retrieval of the Congressional Record;
- development of a pilot electronic bulletin board system linking GPO and printing contractors Nationwide, as well as development of automated printing procurement information systems accessible by customer agencies;
- development of a pilot system for transmitting Federal Register data to subscribers nationwide via FM subcarrier and satellite receivers; and
- initiation of the sale of Government publications in magnetic tape format, as well as the establishment of contracts for the production of information products in CD-

> ROM format which also may be distributed to depository libraries. The Superintendent of Documents is also exploring alternatives for electronic dissemination to depository libraries, another recommendation for action by the OTA study.

In recognition of the emergence of competitive private sector resources for providing Government information to the public, GPO has also begun making its mailing lists available for public distribution.

Beyond these developments, the primary impacts of OTA's Decentralized/Electronic alternative are the proposals for GPO to assume a new responsibility for a Governmentwide information index, and to assume a stronger leadership role in promoting the use of electronic information technology.

Planning for GPO's Future. Clearly, the advent of the Electronic Age has significant strategic implications for GPO's future. With or without GPO action, Federal information activities appear to be shifting to an increasingly decentralized electronic basis, which eventually will reduce or potentially obviate the need for a centralized conventional printing and distribution agency. As the OTA report convincingly states, GPO must move faster to reduce the cost of its conventional services and offer an expanded range of competitive electronic information services if it is to survive as an effective instrument of Federal information policy in the Electronic Age.

Although GPO concedes that the Government appears to be moving toward a decentralized basis in its information activities, this decentralization should not be allowed to transpire unmanaged. In particular, GPO does not view the decentralization of conventional printing, printing procurement, and distribution activities as providing any distinct advantage over the current Federal Printing Program. All available data shows that this Program is the most efficient, cost-effective means for providing conventional printing and distribution services to Federal agencies and the general public within the guidelines of current Federal information policy.

Accordingly, I urge Congress to resist efforts by Federal agencies to establish their own conventional printing, printing procurement, and distribution capabilities outside the control of the JCP through such mechanisms as the FAR amendment and legislative waivers from Title 44, because of their potential for increasing waste, duplication of effort, and costs. While gradual decentralization of the Government's information functions through electronic technology will occur over time, it is important for the JCP and Congress to preserve the institutional framework for Federal information activities established by Title 44 in order to provide a system for managing this technology transition in an orderly, cost-effective manner.

I am particularly pleased to note that the Senate Committee on Governmental Affairs has established a new Subcommittee on Government Information and Regulation. This Subcommittee can, I believe, be a significant asset in the restoration to Congress of its historical role in providing leadership in Federal information policy making.

GPO is currently focusing on the need to establish a strategic planning process to coordinate management efforts to upgrade conventional printing and dissemination services, expand the provision of electronic services, and reduce costs. Together with continued guidance from the JCP and Congress, this process will put GPO in a more effective position to meet the challenges and opportunities of the Electronic Age.

Mr. Chairman, this concludes my general statement on GPO's appropriations request for Fiscal Year 1990. I will be pleased to answer any questions the Subcommittee may have.

LITERACY EFFORTS

Senator REID. Mr. Jenifer, I have read your statement and am impressed, of course, as I should be, with your obvious understanding of the Government Printing Office. You have been there some 34 years.

Mr. JENIFER. Yes, sir; I have.

Senator REID. And I think we are fortunate that you are there.

A couple of things that jumped out at me as I reviewed your statement, first is the literacy effort, which you briefly mentioned in your opening statement, and child care, the new child care initiative.

Tell me about this literacy? What are you doing? What can the Government Printing Office do to help?

Mr. JENIFER. We have an advisory committee that was established by my predecessor, Ralph Kennickell, and it is known as the Academic Advisory Council. It is comprised of a number of universities and colleges that have printing programs within their schools.

At one of their meetings they discussed the problem of illiteracy in America, and we agreed that we could do something to attack this problem.

We have initiated a billboard campaign to make people aware of the problem of illiteracy. In addition, we have held a seminar here in Washington in conjunction with the Department of Education, to discuss the issue.

We also feel we can bring in the private printing sector to involve them and make them aware of what the problems are.

As an agency, GPO has an interest in combating illiteracy because we believe if we have an illiterate society then nobody is going to be able to read our publications. So we have a personal interest also.

CHILD-CARE CENTER

Senator REID. Tell me about your child care initiative.

Mr. JENIFER. The child care initiative is something we have been involved with for the past few years. However, we lack adequate space in our current buildings for a center, so we have been investigating the possibility of leasing space in a nearby building.

Recently we contacted one of our new neighbors, the Metropolitan Council of Governments. Their building is directly across the street from us, and we inquired about the availability of space within their building.

They welcomed us openly and told us that they do have space available for a child-care center. The building is going to open the first of the year. We are now discussing terms for a possible lease. And, as I said, they are more than willing to have us as tenants.

We have not been presented with an overall cost proposal for it right now, but we did include money in our budget for this possibility.

GPO BUILDINGS

Senator REID. Tell me about your building. This is something that has come up before. Do we lease that building?

Mr. JENIFER. No, sir; our buildings are owned by the Government Printing Office.

Senator REID. How old is the building?

Mr. JENIFER. We have four buildings. The oldest building is roughly 85 years old. The newest one was built in 1940.

Senator REID. And tell me why the buildings are inadequate other than it is old. Too small?

Mr. JENIFER. Basically—they are not structured to house modern equipment.

As an example, in order for us to procure new presses we have to have them specially built because of the ceiling restraints that we have in our buildings.

There are problems like that throughout. They are old. The old architectural methods include pillars and we lose a lot of space with the support pillars throughout the buildings.

Senator REID. Your statement said that the General Accounting Office said there was a need for a new building back in 1982 or something. Did I read that?

Mr. JENIFER. Yes, sir; they did.

Senator REID. In 1982 you say a GAO report found that space limitations posed by low ceilings, building columns, multiple stories restrict efficient materials, handling operations, production equipment alignment require the use of satellite facilities.

Mr. JENIFER. You will find in our buildings that we still use small hand trucks to move materials. You will not see an automated materials handling system as you would in a modern plant and these functions are very labor intensive.

Senator REID. Your predecessor told us that a more suitable production facility would result in $52 million in savings the first year and $19 million in annual recurring savings.

Mr. JENIFER. Yes, sir; he did, and I concur with those figures.

Senator REID. Well, it is something that we have to take up with Senator Moynihan, Public Works Committee. Is that not right, to authorize something like this?

STAFF. I expect—yes. Well, it depends on what we would do whether it is to construct a new building or you could arrange a lease perhaps in exchange of Federal property.

Mr. JENIFER. That is one of the alternatives that we are considering.

Senator REID. Well, could you on your own come up with some alternatives so that if, in fact, it does take an authorization, we would have something to authorize.

I know with all the constraints on budgeting generally it is always difficult. We have not built a new building in a long time. We are doing leases with options to buy.

But I can remember your predecessor indicating what—I am trying to think of a word that would be appropriate—anyway how antiquated this building was for modern printing and that we should just start all over again.

Mr. **Jenifer**. It would be——

Senator **Reid**. We would save a lot of money. So could you give us something from your perspective as to what should be done?

Mr. **Jenifer**. Yes, sir; we will present that to you.

ALKALINE PAPER

Senator **Reid**. Tell me a little bit about this alkaline paper.

Mr. **Jenifer**. The alkaline paper issue is one that is in the forefront right now. In our industry, we believe alkaline paper will provide us with a more archivable, acceptable product.

In cooperation with the Joint Committee on Printing, a new Government specification standard has been established that will offer the Government user the assurance that the product satisfies the criteria for permanent papers that are being requested today, and will allow us to conform with the standard established by ANSI, the American National Standards Institute.

Senator **Reid**. You have missed, as we all did, but the Librarian of Congress has a request for deacidification and I submitted a number of questions to him about that, which is on this same subject.

Mr. **Jenifer**. I believe they are requesting that for preservation of their current books.

Senator **Reid**. That is right.

Mr. **Jenifer**. What we basically would be doing is insuring that the paper we procure subscribes to these standards. As an example, a book that we just produced, "The Biographical Directory of the U.S. Congress," was printed on alkaline paper.

ELECTRONIC DISSEMINATION PILOT PROJECTS

Senator **Reid**. That is a very nice book, too.

I understand you have electronic information dissemination pilot projects underway for the depository library program.

What kind of tests are being conducted in this regard?

Mr. **Jenifer**. I would like, Mr. Chairman, for my Superintendent of Documents, Don Fossedal, to address that issue, if you would like.

Senator **Reid**. Please do.

Mr. **Fossedal**. Thank you, Mr. Chairman.

In early 1988, five electronic dissemination pilot projects were selected on the basis of their high public interest, technical feasibility, and cost benefit advantages.

Three of these projects are CD-ROM applications: the Bureau of the Census, retail trade and agricultural files, EPA toxic release inventories; and the final version of the Congressional Record. The remaining two projects feature on-line telecommunications access to data bases on Government computers and they are economic bulletin boards from the Department of Commerce, and interview research abstracts from the Department of Energy.

Of the three CD-ROM projects, the Bureau of the Census test disk was produced through GPO and has already been distributed to depository libraries.

Senator **Reid**. What is CD-ROM? I do not know what that means.

Mr. **Fossedal**. It stands for compact disk, read only memory. It is a technology which allows you to digitally place thousands of pages of information on one disk.

Senator **Reid**. One disk?

Mr. **Fossedal**. Yes, sir; on one disk. When it's a necessity to save information, CD-ROM is a very viable option for the storage of information.

Senator **Reid**. Without going into detail, you have these projects and are they working OK?

Mr. **Fossedal**. Yes, sir; we have already distributed one of them for Census and in fact they are coming in with nine other products that they want us to produce, and we are also working on the online projects. The difference is that on the CD-ROM projects there is an opportunity to save money, but the on-line projects could cost more money.

So one of the options we are looking into is having the depository libraries share these on-line expenses in order to keep Government costs controllable.

And we did distribute, as I said, that CD-ROM disk to the depository libraries. First we tested it with 143 libraries. The feedback from these 143 was overwhelmingly positive as to the technical aspects and the utility of the disks, and as I said, they are coming in with nine new disks.

Senator **Reid**. The purpose of this, I assume, is to see if there are things that can be done to substitute for the hard copy that is traditional. Is that right?

Mr. **Fossedal**. That is in addition to it, yes, with the information and technology explosion you get a basic desire on the part of the libraries to want this information in these new formats. Often they could replace hard copy formats. The library community makes the argument that this information should be available to the American people irrespective of format. We have been asked to look into some of the various alternatives and try and assess their feasibility and what they will cost. So that is where we are and we are going forward on this.

Senator **Reid**. So would this hopefully reduce some of the costs?

Mr. **Fossedal**. I do not think it would necessarily reduce costs. I think Mr. Jenifer can probably answer this part better than I.

Mr. **Jenifer**. We would still be required to furnish the titles in whatever format our customers request.

Senator **Reid**. It would just make more access to what you have.

Mr. **Fossedal**. Yes, sir; essentially, information would be made available to libraries that would not be made available at all in hard copy because it might be in some agency's computer data base and the public might want that information.

INTERNATIONAL EXCHANGE DISTRIBUTION

Senator **Reid**. You have mentioned distributing microfiche to these international exchange libraries in order to reduce cost. Has there been a problem with microfiche?

Mr. **Jenifer**. In our opinion the current distribution system is working quite well, Mr. Chairman. The backlog of publications for the international exchange libraries should be eliminated this calendar year with the planned off-the-shelf procurement of commercial microfiche.

We had problems with our main contract in August 1987, but the reinstatement of that contract resumed the flow of microfiche to the depositories as well as to the international libraries.

I guess I am trying to say the current distribution system is operating smoothly. The additional funds for 1990 would go to implement a plan to integrate the international exchange distribution operation with our depository library automated lighted-bin system.

Under that plan the percentage of hard copy publications going to the international libraries would increase by more than 30 percent and it would result in annually recurring cost increases for printing and postage.

GAO recently completed an evaluation of the plan for the JCP and we are confident that their report will confirm that our evaluation of the proposal was a proper one.

AFGE WAGE NEGOTIATIONS

Senator **Reid**. In your statement you indicated that your wage negotiations with GPO white collar employees represented by AFGE has reached an impasse.

Impasse is a strong word. Can you elaborate on that and tell us what can be done to resolve this impasse.

Mr. **Jenifer**. We are still willing to sit down and continue our discussions with AFGE.

Senator **Reid**. How many of your employees are AFGE?

Mr. **Jenifer**. They represent approximately 1,300 employees. We have offered them what we feel is a good contract. The contract that we have offered contains an average 4.8-percent increase. It includes a fixed dollar increase of $1,035 for grades 1 to 8, with a 4.1-percent increase for grades 9 to 14.

In other words, our offer to the lower grade employees ranges from a 4.4-percent for a grade 8 to a 9.9-percent increase for a grade 1.

I feel personally that this offer, which also includes a paid lunch period, so they would be working an 8-hour day only, is one that is very generous and it is very economical.

We continue the position that we are still willing to discuss this with the union, but we feel we cannot move any further with our dollar position during this particular period of austerity.

The proposal is before the Joint Committee on Printing for resolution.

BOUND CONGRESSIONAL RECORD

Senator **Reid**. The last bound Congressional Record completely distributed was the second session of the 96th Congress and we just completed the 100th Congress.

What is the status of the bound Congressional Record program, and what can we do to help? Why is there a backlog I guess is the question.

Mr. **Jenifer**. Joe, would you like to discuss the bound Record?

Mr. **Cannon**. The volume you talked about Senator is the last one that has been completely distributed. Fiscal years 1981, 1982, and 1985 have also been distributed, except for some copies to the depositories and sales.

Senator **Reid**. So this is not right, it is not the 96th Congress?

Mr. **Cannon**. No, sir; it is correct. That is the last volume that was completely distributed. We have made the congressional distribution on various other volumes since then and about 2 years ago we began producing the bound Record in a more timely manner. We have worked with the Congressional Record indexers and with our production facilities to try to bring it more up to date.

Mr. Kennickell indicated when he testified last year that within 2 years we should be able to clean up the backlog and we are still trying to meet that particular schedule.

Senator **Reid**. Within 2 years?

Mr. **Cannon**. Yes, sir.

Senator **Reid**. That would be a year from now or 2 years?

Mr. **Cannon**. A year from now, sir.

CONGRESSIONAL RECORD AUTOMATION

Senator **Reid**. The Secretary of the Senate plans to automate production of the Congressional Record. Will this help speed up production of the bound version and what are you doing to assist the Secretary in this effort to automate production of the Congressional Record?

Mr. **Jenifer**. We are currently involved with the Assistant Secretary of the Senate and we are formulating approaches which could further our efforts in the automation of the Record.

This past week, the Assistant Secretary was given a tour of our organization. We are actually functioning in a consultant mode with the Secretary of the Senate's office to advise them of the various methods that we believe could be utilized.

The latest effort that is coming from them is the possibility of using the Senate's computer assisted transcript system to provide data to insert into our system.

If we could possibly bring that about, it would eliminate a lot of the labor intensive keyboarding functions that we currently perform.

It is a good effort and we fully support the Secretary of the Senate in this effort.

ADDITIONAL COMMITTEE QUESTIONS

Senator **Reid**. Gentlemen, we appreciate your testimony here today. We have a series of questions that we want to submit to you, but we are all kind of worn down here now and I think we will submit them in writing.

We appreciate your being here.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

Full-time Equivalent Employment

Question. You have requested that the statutory restriction on GPO full-time equivalents only be applied to GPO's overhead areas. What adverse operational effect(s) has the statutory restriction had? What GPO operations should the FTE restriction be applied to? What kinds of positions would be affected?

Response. The ceiling has had little effect on GPO to date because the statutory ceiling would have been achieved through normal attrition and by not back-filling certain non-essential vacancies. Our recent history supports our commitment to downsizing our operations. We have been very successful due to the cooperation of our organized workforce. We have reduced our jobs by 30 percent over the past 10 years.

However, our employment is at such a reduced level at this time that we have serious shortages in certain skill areas, such as Pressmen. We are now below 1,000 total Journeyman Craftsmen, and cannot reduce further in the short run and maintain necessary production schedules. Statutory FTE restrictions could easily obstruct our efforts to produce unexpected requirements that could be placed on GPO. We need the flexibility to hire additional people at given periods of time to respond to Congressional and Executive agency demands.

If there must be restrictions, they should be placed on strictly non-revenue generating functions. An FTE restriction on overhead areas would allow GPO the flexibility to meet variable workload demands placed by our customers, while trimming administrative and support staffs. The kinds of positions affected would include a broad spectrum of management, supervisory, professional and clerical functions in support activities not directly involved in producing GPO's various products and services. GPO is committed to reducing the supervisory and managerial functions of the agency. The creation or filling of any jobs in these categories are subject to strict reviews.

Bound Congressional Record

Question. Please explain the increase in the Bound Record Program.

Response. Actually, the estimate for this year's Bound Record of $4,070,000 reflects a slight decrease compared to last year's estimate of $4,300,000. However, in accordance with a practice initiated in fiscal year 1986, Congress deferred all of the funds for the Bound Record last year. Therefore, our request this year does reflect an increase. However, because of the backlog in producing this publication, I would expect Bound Record funding to be deferred again this year.

Security

Question. Mr. Jenifer, I understand that in order to meet the printing and binding demands of Congress a large number of your production employees must work at night. Approximately how many employees work on your night shifts? Has the increase of crime and violence in the vicinity of GPO had an impact on your ability to staff these night shifts? Have any of your employees been victims of this crime? Is there anything you think the Congress can do to assist you with alleviating this problem?

Response. Approximately 1,400 GPO employees work at night. GPO employees have been victims of an increased number of robberies and assaults while in the vicinity of GPO, including GPO parking lots. Understandably, many employees have expressed heightened concern over safety. We have also had incidents reported to our GPO Security Service concerning robberies and assaults committed against the general public in the vicinity of GPO. We have responded with increased security measures, such as the installation of additional lighting and remote cameras. An important action that Congress can take to assist in alleviating this problem is to consider consolidating GPO's Uniformed Police Branch with the U.S. Capitol Police Force. It is our understanding that the Architect of the Capitol will be a prime tenant in the Postal Service Building located across the street from GPO. If this building will be protected by the Capitol Police, it makes sense to have a single unified security organization in this area. This may prove to be mutually beneficial and cost effective through streamlining and coordination of our presently separate operations and resources.

Preceding Fiscal Year Obligations

Question. In your prepared remarks you explain the basis for the $5.0 million request to cover preceding fiscal year obligations. Please identify the accounts in which these excess obligations occurred, and the amount for each. Can you explain why you proceeded to undertake work and incur obligations for which funding was not available?

Response.

CONGRESSIONAL PRINTING AND BINDING
COMPARISON OF ESTIMATED ORIGINAL REQUIREMENTS
AND OBLIGATIONS, FISCAL YEAR 1988
(in millions of dollars)

Category	Original Require.	Est. Oblig.	Difference
Congressional Record Program..	$17,908	$19,502	$1,594
Bound Record...............	4,070	4,070	---
Daily......................	11,988	13,200	1,212
Index......................	950	1,272	322
Record Indexers............	900	960	60
Misc. publications...........	3,834	3,337	(497)
Misc. printing & binding......	9,420	11,580	2,160
Details to Congress..........	4,239	4,536	297
Doc. envel. & doc. franks.....	945	1,560	615
Business & comm. calendars....	1,815	1,800	(15)
Bills, resolutions, & amend...	7,680	10,880	3,200
Committee reports............	3,120	5,720	2,600
Documents....................	1,740	1,170	(570)
Hearings.....................	20,758	16,592	(4,166)
Committee prints.............	2,970	2,752	(218)
Subtotal..................	74,429	79,429	5,000
Deferred Bound Record........	4,070	4,070	--
Total.....................	$70,359	$75,359	$5,000

In order to assure that GPO can respond to the unanticipated workload demands of the Congress, GPO's annual appropriations language for the Congressional Printing and Binding Appropriation includes the authorization that current-year funds shall be available for the payment of obligations incurred under appropriations for similar purposes for preceding fiscal years. It was necessary for GPO to exercise this authority this year in order to complete fiscal year 1988 jobs.

Question. Why was your estimate for the Fiscal Year 1988 Bills, Resolutions, and Amendments category so far off, from the actual produced? How much of the increase was attributed to the Senate?

Response. GPO estimates are based on historical trends for the various sessions of Congress, and over the years have been quite accurate. There are occasions, however, when the actual workload requested by the Congress exceeds these estimates. As an example, HR 3535, the Budget Reconciliation Bill, was processed during Fiscal Year 1988. This Bill, which averaged approximately 2,100 pages, was completely reprinted several times to reflect the actions of both Houses and conferees. The increase was approximately equally attributable to both Houses of

Congress. During the second session of the 100th Congress, the total number of measures passed by both Houses increased by 32 percent over the first session, and about 42 percent over the second session of the 99th Congress.

Institute for Federal Printing and Publishing

Question. Last year the Public Printer mentioned the planned creation of a Federal Publishing Institute at GPO. What is the status of this effort?

Response. The FPI (Federal Publishing Institute), which was established in September 1987, has been redesignated the IFPP (Institute for Federal Printing and Publishing) to better reflect the significance of meeting the training needs of a unified printing and publishing network in the Federal government. With the assistance of the Interagency Council on Printing and Publications Services and the Federal Publishers Committee, survey information regarding the demographics of the target audience and the topics of highest priority to that audience has been collected and analyzed. Additional input is being gathered from potential Institute users now.

We have expanded the vision of the original Institute to cover three types of programs: 1) those courses now existing within GPO which have been designed to train customer agency personnel; 2) half-day seminars which will deal with upcoming trends and technologies within the industry and which will be directed toward previously trained Federal professionals in the printing and publishing field to assure they will be kept informed and involved; and 3) a total curriculum approach which will prepare newly-hired customer agency printing and publishing specialists for all potential dealing with GPO.

It has been determined by GPO's General Counsel that the IFPP may charge customer agencies for their attendance at these training courses. As a result it is hoped that, in time, the IFPP will become self-sufficient. However, this will occur only when the agencies have recognized the benefits to be derived from this program. Until then, the costs will have to be borne by GPO.

We hope to present several of the half-day seminars during this fiscal year. By the beginning of the next fiscal year, those courses currently being taught by GPO will be offered under the aegis of the IFPP and work will have begun on the development of the total curriculum for the Institute.

GPO Bookstores

Question. How is your program of relocating and upgrading the bookstores progressing? How many bookstores have been moved thus far? Please discuss what you plan to do with the remaining bookstores and when.

Response. In January 1988, GPO submitted an ambitious expansion plan for bookstore operations to the Joint Committee on Printing. They responded with a letter dated April 21, 1988, in which they advised us to concentrate on relocating existing bookstores that are in less-than optimum locations prior to opening any new bookstores. In addition, they urged that when we do open new bookstores, we open them only in states that do not currently have a bookstore. The combination of these guidelines and FTE ceiling restraints have forced us to cut back on our plan.

With the exception of a new bookstore that opened in Portland, Oregon, in August 1988, our activities have been limited to relocations. We were forced by the General Services Administration to move the Cleveland store from the ground floor to the 15th floor of the Federal Building in order to make room for a child care center. The Houston store was moved from a suburban location to an improved location, for less rent, in downtown Houston during January 1989. In Boston, the bookstore moved from the old to the new Federal Building, in which it enjoys a much more visible and accessible location.

Several other moves are being worked on at this time. In Atlanta, the Federal Building that currently houses our bookstore has been sold. We are examining our options regarding both the possibility of a new lease and the more-likely move to better space, but nothing firm is known at this time. The Chicago store will be relocated either to the Loop Station Post Office or the new Federal Building that is under construction. Either of these locations would be a vast improvement over its current location on the 13th floor of the old Federal Building and the move should occur in 1991. As a result of an asbestos removal project in the Federal Building in San Francisco, our bookstore will be moving to better space in the same building in 1993.

No other relocations or openings are planned at the present time. It is possible, however, that events such as those in Cleveland and San Francisco could necessitate that other bookstores might have to be moved on relatively short notice.

We are also exploring the possibility of placing self-service kiosks in the lobbies of post offices in major cities. These kiosks would display popular U.S.

Government publications, catalogs, and ordering supplies, and possibly a direct link telephone to the nearest Government bookstore. This could provide greater access to Government publications for the public in cities which, due to reasons cited above, do not have a Government bookstore, as well as increasing awareness of these publications in cities that are served by a Government bookstore.

Question. For those bookstores that have been upgraded and moved to commercial locations, how much of an increase have you seen in the sale of publications?

Response. The changes in revenue received and customers served for the stores that have been recently moved or newly opened present a mixed picture. Sales at the new Portland Bookstore have not developed as rapidly as we had hoped. While it ranks 14th among the 23 bookstores in customers served, it ranks 22nd in revenue produced. The Cleveland Bookstore has shown a decline in customers and revenue since its move, largely as a result of their less-accessible location on the 15th floor.

The Houston Bookstore move is still too new to judge, but compared to last year at this time, both customers served and revenue are down. In terms of revenue, however, this is offset by the lower rent and the fact that the store is only open five days a week, as opposed to the six-day week required at the old location.

The Boston Bookstore has only been in its new location for about two weeks, so an accurate assessment would be impossible. The manager has indicated that both revenue and customers during this time have been good compared to their previous location.

Question. In regards to promoting the sales of Government publications, what marketing techniques are you utilizing? Have they paid off?

Response. A variety of generic direct mail pieces have been designed for use in localized direct mail efforts. Localized radio public service announcements have been developed and their use promoted. Special posters, flyers, signs, and a new bookstore logo have been developed to promote awareness of our bookstores and the Government publications they offer for sale. In addition, our bookstores are promoted in all of our major catalogs and listings have been procured in the local yellow pages for each of our stores.

According to feedback from the bookstore managers, there is a noticeable increase in bookstore traffic, telephone calls, and written requests after these marketing activities. The main thrust of bookstore marketing has been aimed at the out-of-town bookstores, which have shown a six-percent increase in revenue through the first half of fiscal year 1989 compared the same period in fiscal year 1988.

Public Service Announcements

Question. You mention that you have shifted the marketing of Public Service Announcements from the Sales Program in fiscal year 1989 to the Depository Library Program in fiscal year 1990. Please discuss why this change was made.

Response. Actually, no change will be made in the production of the PSA's (Public Service Announcements) that promote the Sale of Publications and Depository Library Programs. We have been working on a biennial replacement schedule that allows for a new set of PSA's for each program every other year. Most stations are reluctant to use a PSA for more than one year, and even though we have been successful in prolonging the use of the current announcements, two years is the outside limit. Under the replacement schedule, new announcements are needed for the Sale of Publications Program in fiscal year 1989 and for the Depository Library Program in fiscal year 1990. By alternating funding each year to allow for the production of new announcements for each program every other year, we are able to foster an ongoing and growing awareness for both of these important programs.

Printing Procurement

Question. Please explain the procurement process for printing agency publications. What percentage overhead does GPO charge agencies for procuring printing for them? How has the overhead charge changed over the last several years? What are the primary reasons for the change in the overhead charges?

Response. Any government procurement is an incredibly complicated process with infinite variations governed by a multitude of rules and regulations. The following is a brief description of the basic methods used by GPO to procure agency printing. Many areas have been necessarily oversimplified.

The procurement process for printing agency publications begins with the receipt of a requisition from a customer agency. This requisition may be for a one-time requirement, the reprint of a publication, or for a repetitive requirement or a category of printing to be accomplished over a specified period of time (usually one year). Upon receipt of a requisition and a decision to procure the requirement, one of several procurement methods is chosen. If the order is a one-time requirement and is estimated to be under $25,000, it will usually be handled as a small purchase. Orders estimated to be over $25,000, or for a yearly requirement, are normally designated as sealed bids. Exceptional orders not fitting either of these two methods will be designated as negotiated procurements. Once the procurement method has been chosen, a schedule is developed. Scheduling decisions vary greatly with each order, but generally involve working backwards from the agency's requested due date. After a schedule has been developed, detailed specifications are written. These specifications include a complete description of the product as well as all necessary contract clauses and solicitation provisions.

The next step in the process is the development of a bid list. This is accomplished using an automated system which selects the appropriate number of contractors from those who have expressed an interest in the type of product being procured. This automated system currently contains information on over 15,000 contractors and operates on a rotational basis. After a bid list has been developed, all orders are posted in a specifically designated public area. Any contractor may walk in, view the posted specifications, and submit a bid or quote on those orders of interest to him or her. Where applicable, a synopsis of the order is placed in the CBD (Commerce Business Daily).

The next phase in the procurement process involves issuance of the IFB (Invitations for Bid), in the case of sealed bids, or the RFQ (Request for Quotation), in the case of small purchases. It is at this point that the two procurement methods diverge. In sealed bidding the IFB's (which consist of the specifications and necessary bid response papers) are mailed to the contractors on the bid list along with contractors added from posting or the CBD. A normal bid list would contain between 20 and 60 contractors. A specific bid opening time and date is indicated on the IFB and all bids must be received by this time to be considered. Telephonic responses are not allowed. A public bid opening is held in which all the bids are opened and the results announced.

In the small purchase method, a normal bid list would contain between 3 and 5 contractors. Here, the specifications are usually read over the telephone to contractors, although if time permits they may be mailed. Responses or quotations are for the most part received back from the contractor via the telephone.

After receipt of quotations or the opening of bids, the next phase in the process involves the evaluation of the responses. The responses are first evaluated for their responsiveness to the IFB or RFQ. This ensures that they are responding to the specifications and solicitation provisions as written or stated. Any nonresponsive bids are not considered for award. The contractor submitting the lowest quote or bid among those remaining is then evaluated. His or her capability of producing the order in the timeframe required, and at the specified quality level, is closely scrutinized. Past performance regarding timely delivery and quality is an important aspect of this evaluation. GPO's PICS (Procurement Information and Control System) provides extensive information to aid in this determination. If it is deemed that this contractor is not capable of producing a quality product in the required timeframe, the next low contractor will be evaluated. This process continues until an acceptable contractor is identified or a decision to reprocure is made.

Once an acceptable contractor (submitting a responsive bid) has been found, award will be made. This consists of issuing a formal purchase order and supplying any Government-furnished materials.

Contracts awarded under the sealed bidding method for repetitive items or broad categories of printing are known as term contracts. Examples of these would be a monthly magazine or all training manuals for a particular agency. These contracts are usually for a one-year period, although they may be of shorter or longer duration. Term contracts may be awarded to a single contractor or multiple contractors. Multiple award contracts are used where it is anticipated that one contractor would not be able to handle the volume of work to be placed on the contract. Once these contracts are awarded, specific requirements are accomplished through the issuance of print orders.

On multiple award contracts the print orders are first offered to the contractor submitting the lowest bid. If that contractor cannot meet the schedule on the work, the next low contractor would be offered the order and so on until it is placed. On many of these contracts, GPO uses an automated system (Printing Cost Calculating System) to determine the sequence in which work is offered. Certain term contracts may be designated as direct-deal. In these instances, usually because of time-critical requirements, GPO allows its customer agencies to place print orders directly with the contractor once a contract has been established.

Upon placement of an order or award of a contract the contract administration phase begins. This phase involves everything and anything dealing with the relationship between GPO and the contractor from time of award to payment for the goods and services rendered. The factors involved and the amount of administration required varies immensely from contract to contract.

In its simplest form, contract administration involves GPO monitoring the progress of the contract. Much of this is accomplished using the Procurement Information and Control System. GPO ensures that Government furnished material is supplied within the time specified.

Proofs are tracked and monitored between the contractor, GPO, and the agency. Any changes or contract modifications are negotiated and implemented. Schedules are adjusted in accordance with contract provisions. Actual shipment or delivery dates are monitored. Delinquencies on the part of the contractor are handled using the tools provided for in the contract. The quality of the product received is checked to ensure compliance with specifications. Payment to the contractor and billing of the agency completes the contract administration phase as well as the procurement process.

GPO recovers from customer agencies the costs of the procurement and administrative services provided for them through a surcharge of six percent of the total cost of the job, with a maximum of $5,000 per job and a minimum of $10 per job. The six-percent surcharge went into effect on November 1, 1970, and has not been changed since then.

GPO Printing Rates

Question. Please provide a cost comparison that shows GPO rates for printing a document versus commercial rates (from your approved contractor listing) for printing a document?

Response. The following is a comparison of two jobs:

Jacket No.	Quantity	Pages	GPO Cost	Procurement* Program 814-M
236-147	15,000	152	$15,158	$8,540
236-192	30,000	16	3,674	1,589

*includes GPO six-percent surcharge.

A report by the OTA (Office of Technology Assessment) on Federal Information Dissemination in an Electronic Age, published in October 1988, included a sample of 20 printing jobs. According to OTA:

> GPO-procured printing is substantially less expensive than either GPO inplant or agency inhouse printing for these sample jobs. [While] GPO central plant printing is generally more expensive than GPO regional inplant printing...agency inplant printing is generally, but not always, more expensive than GPO inplant (central or regional) printing...The results also suggest that GPO-procured printing is less expensive than or at least competitive with printing [procured] by individual agencies directly from private printers.

The OTA report indicated that GPO inhouse printing costs are high in part due to the need to maintain operational capacity to handle a wide diversity of printing work, and to meet peak Congressional and priority executive branch workloads. The report also indicated that the GPO main plant is well positioned to meet demands for conventional printing, with one of the best equipped printing facilities in the United States and an experienced work force.

Question. What information can you provide agencies to assist them in developing better estimates of what printing jobs are going to cost? What can be done to speed up the billing process? (In many instances billings are not received by agencies until 4 to 5 months (and sometimes later) after the work is completed.)

Response. GPO currently has 106 customer agency offices on-line to the Procurement Information Control System, with another 168 requests in process for passwords and training. This system allows customers to utilize the Printing Cost Calculating System to obtain commercial estimates on general usage contracts. These contracts include cut forms, snapout sets, books, and pamphlets (the majority of their requirements). This system cannot be utilized for work produced in GPO plants (15 to 20 percent of agency requirements). Schedule, quality level, and market conditions can cause prices of individual jobs to vary widely.

About 95 percent of the printing procured through GPO is billed to the agencies by GPO within 45 days after a bill has been received from the contractor. When delays do occur, they are primarily related to situations where GPO has been provided with insufficient information by an agency or a printing contractor. On direct-deal contracts, the agency which is responsible for preparing the print order, may fail to forward a copy of it to GPO. When the job is completed and GPO receives a bill from the contractor, payment is withheld because no verification of contract compliance can be made without the print order. This situation will also delay the billing to the customer agency. On occasion, a contractor may not provide billing information to GPO in a timely manner. Procurement contracts do not have a clause requiring the contractors to bill GPO within a specified time; and, GPO does not bill the agencies without a verification, from the contractor, that work has been completed.

Details to Congress

Question. On page II-5 of your justification, we notice that you are estimating an increase of 7,000 hours for details of GPO staff to Congress. What is the basis for this estimate?

Response. Our estimates are based on historical trends for the various sessions of Congress. The estimate for the number of hours to be worked by GPO details to Congress is 167,000 for fiscal year 1990, compared to the fiscal year 1989 estimate of 160,000 hours. The fiscal year 1990 estimate is based on actual hours worked during fiscal year 1988.

Use of Alternative Inks

Question. You mentioned last year that you were investigating the use of different types of ink to be used for the Congressional Record and Federal Register. Please discuss the current status of this project.

Response. We press-tested soy-based inks for GPO's Group 59 letterpresses, which are used to produce the Congressional Record and the Federal Register. The results of the tests were submitted to the Committees on Appropriations of the Senate and House of Representatives in a report titled "Feasibility of Printing the Federal Register and the Congressional Record with Soy Ink" (June 30, 1988), as required by the report of the Conferees on the Legislative Branch Appropriations Act for Fiscal Year 1989. The report concluded that, regardless of price, none of the tested inks was found to improve the quality of current presswork on these publications. Nonetheless, GPO's policy is to continue to evaluate any new ink that might contribute to product or presswork improvements.

Acid-Free Paper

Question. Your statement indicates that since EPA has been able to identify only two paper mills currently producing acid-free recycled papers, "there is likely to be conflict between the resource conservation goals of recycled paper usage and the preservation goals of permanent paper usage." Can you elaborate on why this is so? Is it a matter of limited supply driving the price to non-competitive levels, or more a matter of your paper requirements far exceeding the limited supply of recycled acid-free paper? Whatever the case, do you have a program to procure at least a limited amount of recycled acid-free paper for the production of certain special documents?

Response. The conflict stems in part from the technical processes used to recycle paper. Some paper manufacturers have found that their alkaline paper technology cannot be used to recycle paper made by acid production processes since residual rosin and alum cause processing problems. Consequently, some alkaline mills can only recycle alkaline papers, while some acid mills can only recycle acid papers. Another part of the problem stems from the way the EPA regulations are drawn. The regulations, which require any Federal agency or contractor making large purchases of paper with Federal funds to buy paper that is made with 50 percent recycled materials, do not make an exception for printing papers, since those papers make up roughly one percent of the papers consumed in the United States. As stated in recent hearings on paper preservation conducted by the House Subcommittee on Science, Research, and Technology, exceptions can be made to the regulations on a case-by-case basis, but the process for obtaining such exceptions is difficult and time-consuming. Thus, given the current technological limitations on the production of recycled alkaline papers, there is some uncertainty about whether the EPA regulations will hamper efforts by Government agencies to specify alkaline paper for materials which have permanent value.

GPO has established a program for the procurement of permanent alkaline papers and another program for procuring recycled papers for customer use. Although none of our customer agencies has yet placed an order for recycled alkaline paper meeting permanent standards, this kind of paper could be purchased by GPO since a finite quantity of recycled alkaline paper is available on the market at competitive prices, despite the technical and regulatory problems described above. However, these problems could lead to increased paper costs for the Government, at least in the short term, if the Government were to mandate recycled, alkaline papers for all Government publications.

Quality Control

Question. In discussing the OTA report on Federal Information Dissemination in an Electronic Age you note that a majority of GPO customers are satisfied with the services you provide. Of course, there is always room for improvement, particularly in quality and timeliness. Please indicate what steps you are taking to improve performance in the area of quality control?

Response. GPO is currently developing a total quality awareness program which will address quality in every aspect of operations. Poor quality is an extremely expensive burden that GPO cannot afford to carry. This program will implement quality improvement projects and institutionalize a structured process for attaining quality improvement.

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

Question. This subcommittee has repeatedly expressed concern about the quality of GPO's product, apparently to little or no avail. Two recent examples: In the Congressional Record for the Senate's bicentennial ceremonies on April 6, 1989, page S3405, the Secretary of the Senate Walter J. Stewart's name is repeatedly misspelled as "Steward." In the Congressional Record of April 4, 1989, reports filed in this session are given report numbers for the last Congress. I do not take these errors lightly. You are producing the official documents of the United States Government, and these mistakes cannot and should not be treated as mere "typos" that are bound to happen given the volume of material you produce. Given this subcommittee's concern and those expressed by other Senators, and given your own responsibilities to produce quality work, what steps have you taken already, and what additional improvements do you plan, to ensure that these errors will be eliminated?

Response. The misspelling of Mr. Stewart's name is a serious error. It occurred when a new Keyboard Operator "saved" Mr. Stewart's name on a storage key in our system and repeatedly used that key. Corrective action was taken against both the operator and the proofreader who was also derelict in duty. Both employees and their supervisors have been properly counseled. GPO has researched the errors that occurred in the April 4, 1989, issue of the Congressional Record pertaining to the incorrect numbering of reports. These errors were made as a result of incorrect manuscript being sent to GPO. The manuscript for the Digest did, indeed, have the report numbers that reflected the current Congress. The manuscript for the material appearing on page S3234 was incorrect when we received it.

In 1987, GPO instituted a quality standard for keyboarding and enforced the standard to the point of reassigning certain employees to more appropriate positions. Concurrent with this action, 35 new experienced keyboard personnel have been hired to replace those lost through attrition, etc. Consequently, major improvements have been made in our keyboarding workforce.

Similar quality improvement actions are planned in our proofroom. Quality standards have been developed, thirty new experienced readers have been hired, and action will be taken this year on those readers not meeting quality standards.

Strategic Planning

Question. Mr. Jenifer, you stated in your prepared remarks that GPO needs to develop and adhere to a strategic planning process. Does this mean that GPO does not have a strategic planning process at this time?

Response. I am a firm believer in the value of strategic planning, having headed GPO's former Planning Office from 1982 to 1985, when it was abolished. Given the range of significant and pressing issues confronting GPO today, especially those discussed in the recent OTA report, GPO has re-established strategic planning as an integral organizational function. Today, we have an Office of Financial Policy and Planning, which has the responsibility for strategic planning at GPO.

Electronic Information Dissemination

Question. The emergence of electronic information acquisition and dissemination technology is obviously a major change in environmental conditions. It seems there may be a danger that GPO operations could suffer from obsolescence as both public and private sectors adopt electronic information processes. What effect has the electronic information revolution had on GPO to date? How are you planning to deal with this new factor?

Response. GPO has substantial experience already with the electronic revolution, having successfully converted from hot metal composition to electronic photocomposition in the 1970's. Also, GPO has moved in a variety of different areas to incorporate various electronic systems and processes into the information reproduction and dissemination services being offered. Technological evolution at GPO can be expected to continue, as electronic information technologies and conventional printing technologies continue to merge. There is still a need, however, for Congressional action to clarify and redirect the focus of Title 44 to accommodate this process of technological evolution and its applicability to Federal information policy, as the recent OTA report stated. Despite the significant transition to electronic information technologies that is occurring Governmentwide today, printing and ink-on-paper media remain the predominant means for information dissemination, and are likely to be so for the foreseeable future. In that respect, therefore, GPO's conventional printing, printing procurement, and documents distribution mission will still be an essential Government requirement for some time to come.

Question. The OTA report on Federal Information Dissemination in an Electronic Age concluded that Congressional action is urgently needed to resolve Federal information dissemination issues and to set the direction of Federal activities for years to come. What specific changes would you recommend, especially to Title 44?

Response. Title 44 has not been changed significantly since the Printing Act of 1895, so it does not reflect the changes that have occurred in electronic information technology in recent years. Where conventional printing and printing procurement are concerned, the basic framework of Title 44 is sound. However, Title 44 should be clarified to confirm GPO's authority to provide electronic information services to Federal agencies. Specifically, statutory clarification is needed regarding GPO's responsibility to disseminate Government information through our Sales and Depository Library Programs. To accomplish this, the definition of "publication" in the statute needs to be updated to specifically include information in electronic formats. Also, the law needs to be updated to remove a number of antiquated and obsolete provisions, and generally to give GPO greater latitude in improving information services to Congress, Federal agencies, and the general public. On

May 23, hearings will begin before the House Subcommittee on Procurement and Printing on oversight of Title 44. In the next few weeks, GPO will be working closely with Congress to develop specific proposals to bring about needed changes in Title 44.

Question. You indicate in the prepared statement that you believe the future GPO should provide both conventional and electronic services to the entire Government within a decentralized, competitive information environment. Why do you believe this is the most practical and realistic alternative for GPO's future? What steps are you taking to lay the foundation to pursue this alternative?

Response. Where electronic information technology is concerned, it's not realistic to expect that a centralized information agency will best serve the Government's information needs in the future. This technology will give rise to multiple points of information access and dissemination not only within the Government, but also through the competitive forces of the private information marketplace. Within this emerging system, GPO will need to find new ways to lower costs and offer electronic services to Congress, Federal agencies, and the public if it is to survive as an effective instrument of Federal information policy. On the other hand, the Government will never achieve cost-effectiveness in conventional printing in a decentralized system. Every study on this subject of which GPO is aware shows that GPO's centralized conventional printing and printing procurement operations are the most cost-effective way for the Government to obtain ink-on-paper information products. GPO envisions the maintenance of GPO's centralized printing, printing procurement, and documents operations for the production and distribution of ink-on-paper products, and an expansion of those operations into emerging electronic technologies to improve services for our customer agencies and the public. This can be achieved by continued technology upgrades, various cost-reduction measures, and through efforts to reform the laws governing GPO.

Question. OMB had a recent effort to revise Circular A-130, dealing with the management of Federal information resources. Please summarize GPO's views on the proposed revisions to Circular A-130?

Response. Since A-130 was issued in 1985, GPO has been concerned that it made no reference to GPO's statutory responsibilities for providing cost-effective printing and printing procurement services for Federal agencies. Also, A-130 did not inform Federal agencies about GPO's ability to provide electronic dissemination services. A-130 basically ignored GPO's responsibility to provide cost-effective services to assist the information resources management programs of Federal agencies. The recent effort to revise A-130 provided an opportunity to redress these shortcomings. Even though OMB canceled the A-130 revision effort, GPO's views on the deficiencies of A-130 are still valid. To fully inform the Committee of these views, a copy of GPO's response to OMB is being submitted for the record.

LETTER FROM JOSEPH E. JENIFER

April 10, 1989

Mr. J. Timothy Sprehe
Office of Information and Regulatory Affairs
Room 3235, New Executive Office Building
Office of Management and Budget
Washington, DC 20503

Dear Mr. Sprehe:

The OMB (Office of Management and Budget) recently published an "Advance Notice of Further Policy Development on Dissemination of Information" in the Federal Register [54 FR 2 (January 4, 1989), pp. 214-220]. The notice proposes revisions to OMB Circular No. A-130, "Management of Federal Information Resources" dated December 12, 1985. In accordance with my responsibility for Government printing and the dissemination of Government publications under Title 44, U.S.C., I offer the following comments and observations.

User Fees. Since June 1987, the GPO (Government Printing Office) has been selling Government publications in electronic formats to the public through the Superintendent of Documents' Sales of Publications Program [44 U.S.C. 1701, et seq.], pursuant to a resolution of the JCP (Joint Committee on Printing) which provides that:

> ...Government publications available for sale to the public by the Superintendent of Documents and produced in electronic format, shall be treated the same as paper and microfiche for purposes of sale to the public...[and that]
>
> ...the Government Printing Office is directed to sell Government publications in electronic format in accordance with law...pursuant to the provisions of Section 1708 of Title 44 of the United States Code...

Under Section 1708, electronic information products sold to the public by GPO are priced at cost, as determined by the Public Printer, plus 50 percent.

GPO's experience to date demonstrates that the Sales of Publications Program can be an effective and efficient dissemination mechanism for electronic information products. Agencies which choose to use the Program are relieved of the burden of implementing separate dissemination programs, and of establishing individual user fee systems to recover the costs of those programs. In addition, the Program makes it easier for the public to obtain electronic information products, since the products are available from a convenient dissemination resource at prices based on a consistent pricing formula.

Thus, rather than urging Federal agencies to establish separate user-fee based dissemination programs of their own, your revision to Circular No. A-130 should advise them of the benefits of, and encourage them to use, the Sales of Publications Program to accomplish public sales of electronic information products as well as to distribute conventional ink-on-paper formats.

Depository Library Program. Title 44 provides that all Government publications,

> except those determined by their issuing components to be required for official use only or for strictly administrative or operational purposes which have no public interest or educational value and publications classified for reasons of national security,

are to be distributed to depository libraries for the free use of the public [44 U.S.C. 1902]. To meet this requirement, the Depository Library Program was established within GPO to facilitate the efficient and economical selection of publications for depository distribution from the comprehensive body of Government documents printed or procured by GPO. To ensure that Government publications produced elsewhere than GPO are also distributed to depository libraries, the law further provides that "each component of the Government shall furnish [the Program] with a list of such publications it issue[s]...that were obtained from sources other than [GPO]," and shall bear the cost of printing and binding those publications for distribution to depository libraries [44 U.S.C. 1902, 1903].

There are varying estimates of the actual number of titles that belong in the Depository Library Program which are not being supplied by Federal agencies, ranging from an additional 5 percent of the total number of titles currently distributed by the Program, as reported recently by the OTA (Office of Technology Assessment), to significantly higher percentages [OTA, Informing the Nation: Federal Information Dissemination in an Electronic Age, (October 1988), pp. 139-140; see also GAO (General Accounting Office), Report to the Chairman, Joint Committee on Printing, "Government Printing Office's Depository Library Program," No. B-214852 (December 17, 1984)]. Whatever the actual count, it is clear that the Program suffers from a "fugitive" document problem which contributes to reductions in the amount of Government information made available to depository library users. Unfortunately, GPO lacks the statutory authority to enforce compliance with Sections 1902 and 1903, a shortcoming that was noted in the 1984 GAO review of the Program. OMB, however, can and should provide that enforcement authority in Circular No. A-130.

GPO has drafted specific guidelines to assist agencies in determining which publications belong in the Depository Library Program [GPO, "Guidelines for the Provision of Government Publications for Depository Library Distribution," draft document (August 1988)]. The guidelines are currently being reviewed by the JCP prior to issuance. OMB can assist in the effective implementation of these guidelines by including a general statement in Circular No. A-130 reminding agencies to provide the Program with copies of publications produced elsewhere than GPO, in compliance with 44 U.S.C. 1902 and 1903. GPO can further assist agencies in determining which publications belong in the Program by reviewing agency publication inventories prepared in accordance with the former OMB Circular No. A-3, which the Advance Notice proposes to incorporate into Circular No. A-130.

Indeed, OMB can further promote agency compliance with Chapter 19 by requiring agencies to file "adequate notice" with the Depository Library Program whenever they disseminate "significant new, or terminate significant existing, information dissemination products" [54 FR 2, pp. 215-16]. Currently, GPO provides agencies with procedural guidance on filing GPO Form 3868, Notification of Intent to Publish, issued pursuant to 44 U.S.C. 1902, requiring agencies to advise the Superintendent of Documents of all publications to be printed by agencies, with the exception of internal administrative or operational documents and documents classified for reasons of national security. OMB should remind agencies that GPO Form 3868 provides a mechanism for providing "adequate notice" to the Depository Library Program of the intent to introduce new publications. Further OMB guidance is needed, however, to provide agencies with a means of advising the Program of plans to terminate publications currently being distributed to depository libraries.

In addition, OMB should require agencies to file "adequate notice" with the Depository Library Program whenever any decisions are made to alter the dissemination medium of any information product currently disseminated to depository libraries, especially when the alteration involves the introduction of electronic formats.

Depository Distribution of Information in Electronic Formats. Besides the library community, a number of observers have expressed concern that the Government's continuing shift from ink-on-paper formats to electronic formats in information dissemination may result in a net reduction in the flow of documents to depository libraries unless provisions are made for the depository distribution of electronic information products [See, for example, Congressional Research Service, "Management of Federal Information Resources: A General Critique of the March 1985 OMB Draft Circular--Matters for Possible Congressional Consideration" (July 5, 1985); and OTA, Informing the Nation]. Unfortunately, neither OMB Circular No. A-130 nor the Advance Notice contain guidelines for agency compliance with the Depository Library Program where electronic formats are concerned. Such guidelines are necessary to avoid undermining the efficacy of the Depository Library Program and annual Congressional appropriations made for that purpose.

OMB guidelines are also necessary to provide for the increasing capability of depository libraries to make Government information products in electronic formats available to their users, and to meet the growing public demand for access to those products through depository libraries. As OTA has concluded,

> ...depository libraries are increasingly incorporating new technologies in support of user services and operations...[indicating] a strong and growing technology base in depository institutions. For example, 83 percent of those surveyed have access to microcomputers with modems for online access, 95 percent have access to microfiche readers with printers, 41 percent have access to a CD-ROM reader, and 36 percent have access to a mainframe computer facility. [OTA, Informing the Nation, p. 127.]

To address these developments, in March 1988 the JCP interpreted Chapter 19 to include authority for depository distribution of electronic information products, provided such products are published by a Federal agency "for mass or general distribution, [either] as a complement to or as a substitute for conventionally printed material" [Letter from the Chairman, JCP, to the Public Printer, March 25, 1988]. This policy is intended to prevent a net reduction in the distribution of information products to depository libraries as a result of publication in alternative electronic formats, and to address new information technologies and the changing needs of depository library users. Since then, GPO has begun the distribution of publications in CD-ROM formats to depository libraries, and is currently investigating the expansion of depository distribution through other electronic information technologies.

Accordingly, OMB should include guidelines regarding the distribution of electronic information products to depository libraries in the revised Circular No. A-130 to ensure agency compliance with current Depository Library Program policy.

Other Superintendent of Documents Distribution Programs. In addition to the Sales of Publications and Depository Library Programs, Title 44 requires the Public Printer and the Superintendent of Documents to distribute Government publications through GPO's Reimbursable Distribution and Statutory Distribution Programs [44 U.S.C., various sections], to prepare and maintain a comprehensive catalog and index of all Government publications [44 U.S.C. 1710, 1711], and to distribute Government publications to foreign governments which agree, as indicated by the Library of Congress, to send similar documents produced by their governments to the Library of Congress, pursuant to international treaty [44 U.S.C. 1719]. The Statutory Distribution, Cataloging and Indexing, and International Exchange Programs are funded by annual appropriations made expressly for those purposes. The Reimbursable Distribution Program is funded by Federal agencies utilizing its services.

Neither OMB Circular No. A-130 nor the Advance Notice establish guidelines for agency utilization of or cooperation with these Programs. In particular, agencies need to improve cooperation with the International Exchange and Cataloging and Indexing Programs, which have experienced problems with "fugitive" publications similar to those of the Depository Library Program. Circular No. A-130 should encourage agencies to notify the Superintendent of Documents about publications produced elsewhere than GPO so that GPO can fulfill these statutory obligations properly. Where the Cataloging and Indexing Program is specifically concerned, such encouragement should be based on the requirement in 44 U.S.C. 1710 that

> [t]he head of each executive department, independent agency and establishment of Government shall deliver to [the Superintendent of Documents] a copy of every document issued or published by the department, bureau, or office not confidential in character...[to be used in the preparation and publication of] a comprehensive index of public documents...

In addition, Federal agencies should be made aware of GPO's commitment to utilizing these Programs for cataloging and disseminating information products in electronic formats. Of particular concern is the potential reduction in the number of information products processed through these Programs due to their conversion to electronic formats. Agencies need to be advised of the importance of providing the Superintendent of Documents with "adequate notice" not only for the introduction or termination of significant information products covered by these Programs, but for any plans or decisions to provide such products in alternative dissemination media.

Access and Retrieval Software. The recently published notice provides that agencies are "to avoid offering value-added products to end users" [54 FR 2, p. 217]. Using CD-ROM technology as an example, the notice says that agencies should not include access and retrieval software in CD-ROM's that are disseminated, because such software constitutes a value-added service that agencies are prohibited from providing.

This prohibition has been widely criticized since the notice was issued on January 4, and understandably so. Without basic access and retrieval software (or, at the very least, without some degree of manipulation to make the data accessible with the assistance of standard and widely available software), the data published in CD-ROM format or other information media would be inaccessible to all but a relative few users. Ensuring broad public access to Government information requires the Government to make that information usable to the public. Thus, in printed publications, the Government provides tables of contents, pagination, and indexes to arrange published information in a logical, usable manner. Common sense suggests that similar functions should be permitted for accessing and retrieving all Government information regardless of the format in which it is published.

GPO Printing Procurement Program. As OTA recently concluded, ink-on-paper formats remain the dominant medium for information dissemination in the Federal Government, despite significant inroads by electronic information technologies. Yet neither OMB Circular No. A-130 nor the Advance Notice refer to GPO's Printing Procurement Program, which was established by 44 U.S.C. 502 to provide for the purchase of the Government's printing needs from the private sector in an efficient, effective, and economical manner. As part of its mission to promote efficiency and economy in Government information activities, OMB should encourage Federal agencies to use this Program as an alternative to costly and duplicative agency inhouse printing and printing procurement operations.

As you know, within the last few years OMB has showed a substantial interest in improving the efficiency and effectiveness of agency printing operations through increased cooperation with GPO's Printing Procurement Program. In 1983, OMB concluded a major survey of Federal printing activities that identified approximately 1,025 printing and duplicating operations within the continental United States and abroad, ranging in size from full-scale printing operations to small copier and duplicating facilities. In many cases, the resulting unit costs were estimated to be as much as two to three times the costs charged for similar work by commercial contractors then on contract to GPO. Subsequently, a number of these facilities were targeted by OMB for consolidation, downgrading, or closure, following the transfer of their workloads to GPO's Printing Procurement Program. When the transfer plan was inaugurated, it was expected to generate as much as $50 million in annual savings for the Government [OMB, Memorandum for Heads of Selected Departments and Agencies, Subject: Review of Executive Branch Printing Requirements (January 26, 1983); OMB Press Release No. 83-33, "Government Printing Transferred to the Private Sector" (November 1, 1983)].

OMB also should know that the private sector traditionally has supported GPO's Printing Procurement Program. In hearings on the Public Printing Reorganization Act of 1979, for example, representatives of the private sector printing industry reiterated their opposition to a decentralized system for Government inhouse printing and printing procurement, due to inefficient plant operations and the resulting high unit costs imposed on taxpayers. In addition, private printers would lose the option to conduct "one-stop shopping" with GPO under a decentralized system of Government printing, and instead would be forced to increase their prices to recover the costs of managing contracting operations with multiple agency printing procurement offices [Committee on House Administration, House of Representatives, and Committee on Rules and Administration, U.S.

Senate, "Public Printing Reorganization Act of 1979," Hearings on H.R. 4572 and S. 1436, 96th Congress, 1st Session (1979), pp. 181-193].

An amendment to Circular No. A-130 would also reflect Congress' recent reiteration of the legislative intent of 44 U.S.C. 502 amid the controversy over attempts to revise the FAR (Federal Acquisition Regulations) regarding the acquisition of printing by Federal agencies. In 1987, the FAR Secretariat attempted to establish independent authority for Federal agencies to produce or procure their own printing in agency plants and agency procurement operations by eliminating the JCP approval requirement established in 44 U.S.C. 501(2) from the FAR [52 FR 53, Part III (March 20, 1987), pp. 9036-9039]. This effort would have led to the establishment of a decentralized printing and printing procurement system characterized by excessive costs resulting from a substantial duplication of resources. In response, Congress prohibited the implementation of the FAR revision in the Legislative Branch Appropriations acts for Fiscal Years 1988 and 1989. In August 1988, the FAR Secretariat published a notice in the Federal Register announcing its intent to withdraw the 1987 revision [53 FR 167 (August 29, 1988), p. 33017].

Most significantly, GPO's Printing Procurement Program has been demonstrated to be far more cost-effective than either agency inhouse printing or printing procurement operations. In its report on Federal information dissemination, OTA compared the costs of 20 sample jobs performed under each of five alternatives: inhouse at GPO's Central Office plant and regional printing offices, by agency inhouse printing operations, and purchased commercially by GPO and agency procurement operations. According to OTA, this cost comparison demonstrates that:

> GPO-procured printing is substantially less expensive than either GPO inplant or agency inhouse printing for these sample jobs. [While] GPO central plant printing is generally more expensive than GPO regional inplant printing...agency inplant printing is generally, but not always, more expensive than GPO inplant (central or regional) printing...The results also suggest that GPO-procured printing is less expensive than or at least competitive with printing [procured] by individual agencies directly from private printers. [OTA, Informing the Nation, p. 283 (emphasis added).]

Based on this record, OMB Circular A-130 should make appropriate reference to GPO's Printing Procurement Program as an effective instrument of Federal information resources management to increase efficiency and economy in Government printing.

GPO Procurement of Electronic Formats In addition to providing procurement services for conventional ink-on-paper formats, GPO can provide for the efficient and economical procurement of agency information products in electronic formats. Both functions require a high degree of specialization in the graphic arts and information technologies, as well as in contract solicitation, award, and management, and a maximum level of competition among potential vendors to obtain the best possible service at the lowest cost. GPO provides the necessary levels of specialization and economies of scale present in a large printing procurement operation to achieve these goals, and has already procured CD-ROM technologies and integrated printing and publishing systems for Federal agencies, at their request. Accordingly, OMB Circular No. A-130 should encourage Federal agencies to seek GPO's advice and assistance in procuring services from the private sector where they involve the production of information products in electronic formats.

If you wish, I would be pleased to meet with you to discuss these comments further.

Sincerely,

JOSEPH E. JENIFER
Acting Public Printer

SUBCOMMITTEE RECESS

Senator **Reid**. This subcommittee stands in recess pending the call of the Chair.

[Whereupon, at 12:25 p.m., Friday, May 5, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1990

MONDAY, MAY 8, 1989

U.S. Senate,
Subcommittee of the Committee on Appropriations,
Washington, DC.

The subcommittee met at 2 p.m., in room SD-116, Dirksen Senate Office Building, Hon. Harry Reid (chairman) presiding.

Present: Senators Reid, Nickles, and Hatfield.

BIOMEDICAL ETHICS BOARD

STATEMENT OF HON. ALBERT GORE, JR., U.S. SENATOR, MEMBER, BIOMEDICAL ETHICS BOARD

ACCOMPANIED BY ROBERT MULLAN COOK-DEEGAN, ACTING EXECUTIVE DIRECTOR, BIOMEDICAL ETHICS ADVISORY COMMITTEE

OPENING REMARKS

Senator **Reid**. The subcommittee will come to order. This afternoon the Subcommittee on the Legislative Branch appropriations continues its hearings on the budget estimates of the agencies under its jurisdiction. Specifically we will consider the request of $128.9 million for the Architect for the Capitol, and $2.4 million for the Biomedical Ethics Board.

Today we have the Architect of the Capitol, Mr. George White; Senator Albert Gore, Jr., former vice chairman of the Biomedical Ethics Board; and the acting executive director of the Biomedical Ethics Advisory Committee, Robert Mullan Cook-Deegan.

We will begin today with the Biomedical Ethics Board, and as we indicated, we are going to take this a little out of order because Senator Gore is here. He has been busy lately with his family situation. How is the boy doing, Al?

Senator **Gore**. Doing great, Harry. Thank you so much. And there are some others in this room who have also expressed their personal best wishes and sent their prayers for him, and we all appreciate it. He is back home and doing very, very well. Thank you.

Senator **Reid**. Living in the front room?

Senator **Gore**. In the dining room. That is right. That is right. Last night was not my night so I am alert and awake this morning, yes.

PREPARED STATEMENTS

Senator **Reid**. We are honored to have the former vice chairman of the Board and the author of the act authorizing this Board on the Senate side, the distinguished junior Senator from Tennessee, Albert Gore, Jr. As I indicated earlier, we also have Dr. Robert Cook-Deegan, the acting executive director, with us. Both of your statements will be made part of the record.

[The statements follow:]

STATEMENT OF SENATOR AL GORE

Mr. Chairman, thank you for the opportunity to testify this afternoon.

I'm here today in support of continued funding of the Biomedical Ethics Board. That board was created in the Health Research Extension Act of 1985, and reauthorized last year as part of the Health Omnibus Programs Extension of 1988. I introduced the amendment that eventually authorized the Board and its Biomedical Ethics Advisory Committee, I was appointed to the Board, and I served as its vice-chairman during the 100th Congress.

My interest in bioethics stems from numerous hearings I have held on such topics as human genetic engineering, organ transplants, and human embryo transfer.

At one of those hearings, Alex Capron -- who was then the executive director of the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research and is now Chairman of the Biomedical Ethics Advisory Committee -- released a report entitled "Splicing Life," which explored the social and ethical issues of human genetic engineering. The report recommended that a permanent body be established within the government to look at these issues on an ongoing basis.

Mr. Chairman, I took that recommendation to heart, and set out to develop legislation to do just that. In working on the proposal that ultimately created the Board, we looked to previous efforts in this area such as the President's Commission and the National Commission for the Protection of Human Subjects of

Biomedical and Behavioral Research. One thing we did was come up with a shorter name, the Biomedical Ethics Board.

Unlike previous efforts in this area, the Board depends on members of Congress as an integral part of its deliberations. This is a critical and important difference.

In the past. Congress mandated outside commissions. They met, debated, and issued reports. The reports were valuable, but they failed to influence policy. Outside commissions did nothing to bring those Senators and Congressmen who were most strongly opposed any closer together.

The Board was formed to study some of the toughest and most complex questions in public policy: Should a still viable fetus be used in medical research? Should nutrition and hydration ever be stopped in a dying patient?

Some might wonder whether the Congress should even be debating these questions. However, we have already voted on both of them. They were debated, feelings ran very high, and in the end no consensus could be reached. In fact, the Board was created to study them.

Whether we like it or not, these issues are coming before the Congress with increasing regularity. Outside expert panels do good work, but they haven't led to the progress we need to make in resolving these issues. By directly involving Congress in these issues, the Biomedical Ethics Board is our best chance to determine where consensus can -- and cannot -- be reached.

We did not have to think about human gene therapy until it became technically feasible. We did not have to worry about fetal research until there were new technologies for reproduction and biomedical research. We did not have to worry about life-sustaining technologies before there were antibiotics, ventilators, IV solutions, naso-gastric tubes and other accoutrements of modern high-technology medicine. Now the federal government is deeply involved every step of the way -- from the billions of dollars we spend at NIH, to the tens of billions more we spend on medical care. Congress must therefore deal with these difficult ethical issues, and the Biomedical Ethics Board and the Biomedical Ethics Advisory Committee can greatly assist us in doing so.

In the original bill I introduced, we authorized $2,000,000, $2,500,000, and $3,000,000 for the first three years of operation. This was based on experience with the previous commissions, and is in the same range as, although somewhat lower than, other federal health commissions such as the Prospective Payment Review Commission and the Physician Payment Review Commission. Last year's reauthorization bill provided for $2,000,000 in FY89 and $2,500,000 in FY90. I would anticipate that in 1991 and beyond, a stable staff of eighteen to twenty would deal with new issues on a continuous basis, with appropriations in the range of $2,500,000 to $3,000,000.

In February, Congressman Bill Gradison, who was the chairman of the Board in the last Congress, and I testified before the House on behalf of the Board. We made a supplementary request of $904,000 for the current year (which would bring the 1989 total to $1,245,000) and $2,359,000 for next year.

Unfortunately, with the always pervasive pressure to cut spending, as well as some problems with the Board's reorganization at the beginning of this Congress, a supplemental appropriation seems unrealistic. I deeply regret the further delays that this will cause, since it is the American people who will continue to suffer as technology continues to race forward, while our laws and institutions designed to guide policy remain mired in a morass of uncertainty.

While the Board still faces numerous hurdles, the subjects it was set up to examine are simply too important to set aside. I remain eager to get on with the work of the Board, and ask for your continued indulgence and support.

I am pleased to be here today, and thank you for the opportunity to testify.

STATEMENT OF ROBERT MULLAN COOK-DEEGAN

Thank you, Mr. Chairman, for inviting me to testify today. My name is Robert Cook-Deegan. I am Acting Executive Director of the Biomedical Ethics Advisory Committee (BEAC). I was appointed unanimously by the members on December 4, last year. I agreed to serve because I believe the function of BEAC is essential. I worked for 7 years at the Office of Technology Assessment (OTA), most recently as a Senior Associate. While at OTA, I worked on federal policies regarding Alzheimer's disease, efforts to map and sequence the human genome, human gene therapy, and neuroscience. In directing those studies, I had ample occasion to observe Congress struggling with many ethical issues arising from biomedical research and the delivery of health care. Choices regarding many of those issues can be addressed fully only by analysis of fundamental moral values.

Congress has been debating the need for a federal bioethics commission since the late 1960s. There have been three such bodies created since then. The National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research functioned from 1974 to 1978. Its work centered on topics suggested by its title. The President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research was created in 1978 legislation, and operated from January 1980 through March 1983. Its broader mandate is suggested by its title, and its 11 reports did span a range of topics, including access to health care, who makes health care decisions, definitions of death, gene therapy, genetic screening and counseling, and human subjects protections. (Alexander Capron, executive director of the President's Commission is now chairman of BEAC.)

The work of the President's Commission was missed immediately after it passed out of existence. The 99th Congress created the Biomedical Ethics Board and BEAC in its wake. The initial statute mandated two studies: one on fetal research and another on implications of human genetic engineering. The 100th Congress added a third mandated study on nutrition and hydration of dying patients.

Issues regarding ethical values in the delivery of health care and the conduct of research will continue to vex Congress. The issues extend well beyond the three BEAC has already been asked to address. Questions about the financing of long-term care, access to care among the indigent, privacy of genetic information, surrogate motherhood, and other matters arise each year. If there is no forum for the explicit discussion of these matters in a balanced and careful way, then the issues will come to Congress through mainstream politics.

Our political institutions, especially Congress, are well adapted to attend to diverse points of view and to balance interests of different groups. Issues related to the delivery of health care and the advances in modern biology, however, involve immense factual and moral complexities. It would be the role of BEAC to present the facts and to articulate the diverse moral positions to Congress. BEAC would not make the tough political choices, and indeed many of the issues cannot be resolved simply, but points of consensus on policy are much more likely to follow from such balanced analysis than without it.

As you know, a hearing on our appropriations was held in the House of Representatives on 8 February. Since that time, we have been informed that BEAC will not receive supplemental appropriations for the remainder of this fiscal year. This means that we cannot hire more staff than the current two until late in the year, and it seems unlikely that we will be able to meet the statutory deadlines on the three mandated reports because our work has been in suspension for much of this fiscal year. The 1990 budget submitted to the House Appropriations Committee presumed a staff of 9 by the end of 1989, making progress on all three studies. We must now rearrange the study schedules and plan to get underway rapidly with them in October, immediately after the beginning of the new fiscal year. We still need the same number of staff, but they will be hired six months later than assumed in the budget request documents. Assuming that there is no 1989 supplemental appropriation for BEAC, the amount that could be spent during 1990 would also be reduced, because staff hiring would not be complete until several months into the 1990 fiscal year, and functions depending on additional staff would be pushed back. Allowing for this, the funding needs for BEAC to produce three reports would be $1.8 million, and at least one (probably two) of the reports would not be completed until fiscal year 1991. Funding requirements in future years would increase somewhat as the workload increased and all staff worked throughout the year.

SUMMARY STATEMENT

Senator REID. So Senator Gore, please highlight your statement as you wish, and then we will hear from Dr. Cook-Deegan.

Senator GORE. Well, thank you, Mr. Chairman. I appreciate your putting my prepared statement in the record. I have been involved in the effort to have a formal examination of bioethical issues by the Congress for quite some time. We are in the middle of a scientific revolution without any precedent in all of human history. And that revolution is confronting us with policy judgments that are excruciatingly difficult.

What will be the implications of new discoveries in human genetic engineering, for example? We do not have any basis for making those judgments easily because we generally rely on what we call commonsense which is a distillation of our personal experience and the experience of those who have come before us. And yet some of these technologies are so new that we really have to make the extra effort to try to come up with a way of making the decisions well.

The Health Research Extension Act of 1985 created the Biomedical Ethics Board, and it was reauthorized last year as part of the health omnibus programs extension of 1988. There are three mandated studies that we are supposed to do in conjunction with our advisory committee. These studies are studies that Congress has asked the Board to undertake. They involve issues that the Congress has tried to wrestle with on its own, and they have failed, and they have said we need this body to try to do it.

In addition, the Board is charged with the responsibility of looking at other subjects as it determines it to be necessary. Now the Board faces numerous hurdles, and I remain eager to get on with the work of the Board and ask for your continued indulgence and support here today. The fact is that the subjects that it was set up to examine are simply too important to set aside.

In all candor, it remains to be seen whether or not the Board will clear all of the hurdles that stand between it and an up and functioning board. The staff has done an outstanding job. All three studies have been approached in a very businesslike way. The study required on human genetic engineering was put on the front burner and more planning work has been done there. We have secured, incidentally without expense, data processing equipment, donated from the Apple Foundation at my request, for the work of the advisory group and the Board.

And we have people who I think are the very best in the field. Dr. Cook-Deegan is well experienced in this area. Alex Capron who is the chairman of the committee was the executive director of the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research.

We had the good sense to come up with a shorter name this time around, but we also had what I think is the good sense to come up with a good group to help us. The nature of the subject matter that we are charged by the Congress with exploring is so volatile and charged with controversy that political conflicts were anticipated when this was set up.

And those political conflicts are continuing. I think there is a chance that they can be resolved. I have to tell you in all candor, as I did a moment ago, that it is possible that those who are opposed to the commission doing its job at all will be successful ultimately in stopping it. But I hope that is not the case, and I think there are formulas for breaking the impasse and for getting the Board up and fully operating.

I served as its vice chairman during the 100th Congress, and I am pleased to appear here today in support of its continued funding.

STATEMENT OF ROBERT MULLAN COOK-DEEGAN

Senator **Reid**. Would you please proceed?

Dr. **Cook-Deegan**. Sure. Thank you, Mr. Chairman. My name is Robert Cook-Deegan, and I am the acting executive director of the Biomedical Ethics Advisory Committee. I have submitted a statement so I will not——

Senator **Reid**. We will make that statement part of the record. By the way, Senator Gore, can we have a copy of your statement?

Senator **Gore**. Sure. Yes; we have some other copies for the committee also.

PREVIOUS BIOETHICS COMMISSIONS

Dr. **Cook-Deegan**. I will not read through my whole statement. I will just summarize some of the history of the Biomedical Ethics Board and Advisory Committee and discuss a bit of what we have accomplished to date. The Biomedical Ethics Board and Advisory Committee are really the third incarnation of a Federal bioethics commission. The first was the national commission which operated from 1974 to 1978, and it was focused on research ethics, on protection of human subjects, and it was created in the aftermath of the public reaction to the Nazi experimentation in World War II and to some experiments that had gone on in the United States under the Public Health Service that caused a tremendous controversy.

Senator **Gore**. Tuskegee.

Dr. **Cook-Deegan**. The Tuskegee syphillis trials and some other research abuses. That provoked Congress to create the national commission in 1974. It operated until 1978 when it went out of existence. And it went out of existence primarily because there was broad consensus that it had had a very narrow focus and had done a lot of the work that it needed to do, and for it to continue to exist it needed to have a broader mandate. In its wake, Congress created the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research. Our chairman, the Biomedical Ethics Advisory Committee chairman, was the executive director of that, Alexander Capron.

That group existed from January 1980 until March 1983. They published 11 reports and they focused not only on research ethics but also on the delivery of health care. They wrote a large report on access to health care and reports on ethics and the delivery of health care.

After the President's commission went out of existence, the congressional debate started immediately on how to replace it, on what shape a replacement body should take. Senator Gore was then in the House of Representatives and had introduced the bill that ultimately led to the creation of both the Board and the Advisory Committee. And finally in the conference committee report on the NIH bill of 1985 the Biomedical Ethics Board and Advisory Committee were created.

MANDATED STUDIES

We have the three mandated studies that Senator Gore mentioned, but I will reiterate what those are. The first mandated report is on implications of human genetic engineering including use of recombinant DNA. The second report, also in the 1985 Research Extension Act, has to do with fetal research. That is, the Federal guidelines for conduct of research involving human fetuses. We are to look at those and make recommendations.

In the reauthorization that took place last October, we were asked also to look at nutrition and hydration of dying patients. This is an emerging issue and most of the court cases having to do with termination of treatment deal with this very difficult area. We have been asked to address that as well.

In addition to those specific——

Senator **Reid**. You say nutrition and hydration of newborns?

Dr. **Cook-Deegan**. And hydration of dying patients.

Senator **Gore**. This came up in the floor debate, Mr. Chairman. It was on the AIDS provisions.

Dr. **Cook-Deegan**. That is right.

Senator **Gore**. And someone announced, a Senator announced an intention to introduce an amendment preventing the cut off of hydration and nutrition to someone suffering from AIDS who was near death.

Senator **Reid**. I remember.

Senator **Gore**. And many Senators felt uncomfortable with the complexities of the question, and expressed the desire to have somebody look at it in more depth, and it was referred to this Board. Excuse me.

BOARD FUNCTION AND STRUCTURE

Dr. **Cook-Deegan**. No; that is fine. That was the third mandated study. In addition to that, we have a general mandate to look at biomedical research ethics and also ethical issues that arise in the delivery of health care. Basically the Advisory Committee is supervised by the Board. BEB and BEAC, as I will call them, were modeled on the Office of Technology Assessment so that there is a congressional board—a bipartisan, bicameral oversight board—that presumably would approve any study that gets started, and would also approve the release of any studies that are completed by the Advisory Committee. And then there was a 14-member outside advisory committee whose membership is stipulated in three categories plus two lay representatives.

To date, that advisory committee has met twice. It met in September of last year for the first time, elected a chairman and vice chairman.

Senator **Reid**. Who appoints?

Dr. **Cook-Deegan**. The chairman and vice chairman were elected from among the members of the Advisory Committee.

Senator **Reid**. And the Advisory Committee is appointed by whom?

Dr. **Cook-Deegan**. By the Board.

Senator **Gore**. The Board.

Dr. **Cook-Deegan**. By the congressional Members.

Senator **Reid**. Who appoints the Board?

Dr. **Cook-Deegan**. I'm sorry?

Senator **Gore**. The Speaker and the majority leader, the Republican leader and the House minority leader.

Senator **Reid**. How large is the Board?

Dr. **Cook-Deegan**. Twelve members. Three from each party from each House. It is exactly balanced. It is very much along the lines of the OTA Board. The Advisory Committee, as I said, elected its chairman and vice chairman and began to do its preliminary planning last September. And then it met again in February where we had experts from around the Nation come talk to us about issues specifically on the genetic study which is the least controversial of the three studies we have been asked to do. It also has the first deadline.

So we elected to take that on first, and have broken that study down in much more elaborate detail than the other two studies. As of right now, we have not met for a third time yet, and in fact, we are holding off meeting until the 14th member of our Advisory Committee is appointed. Between the time the appointments were made and the first meeting, 1 of the 14 members died, and that member has not been replaced yet. So we are holding off proceeding any further until we have our 14th member.

NEED FOR FEDERAL BIOETHICS COMMISSION

The major point I wanted to make today is that, as the third incarnation, I think it is fairly good evidence that Congress has been struggling with ethical issues in the delivery of health care and conduct of biomedical research for what—a decade and one-half now. The function of the Board and the Advisory Committee are to serve as a neutral forum that could carefully articulate diverse points of view and could sort through the facts and could distill the various arguments down to a level where the political choices could then be represented to Congress in a way that makes it easier to think through what is going on.

I think on some issues we could flag broad areas of consensus and suggest this needs to be done and that needs to be done. For many of the issues we have been asked to address, in fact, such resolution may not be possible. And our role there is to try to focus on what is the real core of the disagreement, articulate what the diverse points of view would be, and then say, well, are there choices that could be made depending on what point of view you take. It is really what we do at OTA.

And our plan was very much, or is very much, to use the same process that OTA uses which is to represent all the arguments and say here is one option, here is another option, here is a third option. And present the arguments that way. I will stop there and open it up for any questions. Thank you.

Senator REID. We have now joining us Senator Nickles, who, as I understand, is also a member of the Board. Senator Gore, what do you see as the principal purposes of the Board and the Advisory Committee? If you had to tell a high school class what it was all about, what would you tell them?

Senator GORE. To advise the Congress of the United States on how new questions involving biomedical ethics might be resolved taking into account new scientific advances and very old traditional values.

REASONS FOR DELAYED START

Senator REID. For the record, what is the problem? You know it is my understanding we are having problems getting the Board to function; is that true?

Senator GORE. That is true.

Senator REID. Why?

Senator GORE. The first two chairmen were former Senator Lowell Weicker and Congressman Bill Gradison respectively. Both had difficulty getting a majority to agree on the makeup of the Advisory Committee, and when that impasse was finally broken with the appointment of a very carefully balanced Advisory Committee, one of the members so painstakingly selected up and died, and the vacancy thus created made possible a renewal of conflict within the Board over how to fill that vacancy.

The fault line within the Board is generally on the issue of abortion. Many of us on both sides of the abortion question per se have felt that it was not directly relevant to the work of the Board, though one's feelings with regard to abortion are relevant to certain questions which come up in the Board's work and the Advisory Committee's work. But the very presence of that question, however relevant you believe it to be to the work of the Board, explains the intensity of feelings which some members of the Board bring to every aspect of its work.

I think that that intensity is understandable, and I have felt that the close balance on the Board makes it of even more potential value to the Congress and the country because out of such passions can come a creative resolution of issues that many might feel are irreconcilable. Let me give you an example.

In the other body, Congressman Henry Hyde is one of the most passionate opponents of abortion that I know of. Congresswoman Barbara Boxer is one of the most passionate supporters of freedom of choice in regard to reproductive rights, as she would put it, that I know of. And yet the two of them joined together in introducing legislation to accomplish a total ban on surrogate motherhood because they felt from their varying points of view on the ideological spectrum that they could identify a common goal and a common set of ethical standards which would lead them to the same conclusion with respect to that practice.

Surrogate motherhood might be an example of an issue that we would be called upon to examine. Thomas Jefferson wrote 200 years ago that our laws and institutions must move forward hand and hand with the progress of the human mind. With the scientific revolution at its most ferocious, at its most rapid in the area of genetics, we see the Congress as an institution moving at its most glacial. And it is to remedy that mismatch that this Board was created.

But the problems, as I have indicated, may yet be worked out. If they are not, you will certainly have a report coming to you advising you that we think that it is at that point impossible, but I think the stakes are so high and the potential value is so great that we should continue our effort to resolve it and work it out.

Senator REID. Senator Nickles.

PROGRESS SINCE MARCH 8 BOARD MEETING

Senator NICKLES. Mr. Chairman, thank you, and Senator Gore, I appreciate your comments. Has there been any real change since our meeting among the Board members a couple of months ago?

Senator GORE. There have been no formal changes. There have been a number of discussions between and among members of the Board in an effort to discover possible solutions for the impasse. I myself have also met with individuals outside the Congress who have a keen interest in attempting to see if this matter can be resolved. Then further consultations have taken place after those meetings, and that work is still underway. I think there is still a chance that it might yet be resolved.

Senator NICKLES. Well, if it is not resolved within a certain period of time I would question personally whether we should do anything in 1989 until we get the administrative problems solved with the Board and the advisory board. As far as the 1989 supplemental, was that denied in the House? Is there an attempt to try and get that in in the Senate or are you passing on that and looking at the 1990 appropriations?

Dr. COOK-DEEGAN. I think the crucial thing, Senator Nickles, is not so much the election of the chairman of the Board but the appointment of that 14th member. That is why we have been holding up our work. As soon as that happens, on the genetics study, we have actually had one meeting. We pretty much have a set of issues that we have framed. We could pretty quickly staff up and start work on that, and we could actually begin the preliminary planning on the others.

ADVISORY COMMITTEE STAFFING

Senator NICKLES. You are a staff member. How many other current staff members do you have right now?

Dr. COOK-DEEGAN. One other staff person right now.

Senator NICKLES. One other staff person.

Dr. Cook-Deegan. That is right.

Senator Nickles. Your appropriation last year was for how much?

Dr. Cook-Deegan. It was carried over from the previous year, and what was left over was $241,000.

Senator Nickles. $241,000. Just yourself and one other person. You had hoped to go to nine for this year.

Dr. Cook-Deegan. That is right.

Senator Nickles. That will not happen?

Dr. Cook-Deegan. That will not happen.

Senator Nickles. And then you had hoped to go to what, 17 or something for the 1990, is that correct, for 18 positions for next year?

Dr. Cook-Deegan. 17½ actually is what is. 17½ FTE's.

Senator Nickles. Well, since the 1989 is not happening, you are not going to be at nine positions. I guess we really just have to find out whether or not we are going to solve the vacancy in the chairman question and go from there; is that correct?

Dr. Cook-Deegan. Yes; basically, I think if we are going to do all three studies, we need a staff of roughly that size.

PROGRESS ON MANDATED STUDIES

Senator Nickles. You really do not have anything on the other two studies; is that correct?

Dr. Cook-Deegan. That is right. We have done only a very initial framing out. And our next two meetings would focus on how to get them to the place where we have gotten the genetic study now. We still have to commission papers and let contracts.

Senator Nickles. But really with the genetic study you have only had one meeting. There has been no real research study done.

Dr. Cook-Deegan. That is right. The next step would be to let contracts and start the process of the writing.

Senator Gore. If we resolve the impasse on the appointment of the 14th member and the leadership of the Board itself, then the genetics study, I think, it is safe to say, could go forward vigorously this year with a lot of work that could take place very, very quickly.

Senator Nickles. You mentioned the letting of contracts. So the staff would do what? Be reviewing proposals that universities or medical organizations would be submitting papers or what?

Dr. Cook-Deegan. Sure. The first thing to do is to hire a few more staff. Next, we have a list of topics that the Advisory Committee has met about, and we would commission papers from experts either in universities or in research centers of some other sort and those papers take about—we have to give people about 6 months from the time that we let a contract until we get a report back to us. The staff process is then to rewrite that for the purposes of the Advisory Committee which would then submit them to the Board. So it is about a 1-year process from the time we let a contract, our first contract, until we can have a report ready for the Board. And that would be the next step.

Senator Reid. Mark, do you have anything?

SENATOR HATFIELD'S REMARKS

Senator **Hatfield**. Mr. Chairman, I would like to make an observation. First, I would like to thank Senator Gore for his leadership in a very important and fundamental area which we cannot afford to neglect even through the various organizational problems which may be present in this initial effort.

A few years ago, Dr. David Baltimore, who is one of our leading geneticists, was interviewed by the U.S. News and World Report. There were a lot of very disturbing things in that interview, one of which was that scientists have no ability to control the technology they may create in the laboratory. When pressed further about the scientist's role at that point, he said that the scientist's role is to turn the technology over to society, so that society can employ that technology for good or for evil as society will determine.

Interestingly, about the same period as that interview, there was a stock sale on Wall Street. It was one of the fastest stock sales in the history of Wall Street, and behind it was the establishment of a genetic engineering corporation. Society had become in effect the marketplace. And I am not one who is willing to let society in the marketplace control how this kind of technology is utilized.

I am convinced that we will never have true arms control until we have controlled the technology of arms development because it is the fuel that fires the whole arm's race, the technology. And I think before this technology gets out of the bottle, we had better start establishing some dimension of ethics concerning how this can and should be used. None of us is opposed to corrective engineering, genetic engineering, to eliminate some of the terrible things that beset life like disease and so forth.

But bear in mind that this may be science fiction today, but I grew up with Buck Rogers, and my generation never believed that space travel would ever become reality. Now, the Magellan gets third page, second page news coverage. But when you think about what this technology could ultimately lead to, according to the geneticist, even the possibility of developing a subspecies of human life that could do the grunge work of life. If we create that human subspecie, it really begins to take on a little different meaning.

Now people say, oh, that is down the road. That is far off. That may never happen. True, it may never happen, but the ideas coming out of this technology require us to develop some kind of a moral, ethical standard or to develop some self-restraint. In my view, there is no way that we can stop the advance of science nor should we. But certainly we ought to begin to build certain self-restraints because the fact that we have the technology does not mean that we have to employ it.

And I think, Senator, you have given tremendous leadership in this role and we want to support you however we can, though it is going to be a struggle. We are in an area that is very difficult to negotiate because immediately some will accuse us of trying to slow or stop research, and we are not, but by the same token there has to be, as Dr. Vannevar Bush said, a little better understanding of the scientist in the laboratory and what kind of a world they are putting their discoveries into.

IMPORTANCE OF BOARD'S FUNCTION

Senator GORE. Well, if I could respond, Mr. Chairman. I know you need to move on in your agenda, but that was such a thoughtful statement, I wish to respond briefly. First of all, the scenario you mentioned about the creation of a subhuman species is simultaneously abhorrent and strikes us as absurdly unlikely. However, it is scientifically possible, and possible to such an extent that the commission which preceded this one saw fit to include a prohibition against that specific act among the very limited prohibitions that it saw fit to recommend to the Congress and the rest of the country.

Second point, we have a mechanism now for reacting to new developments in technology. We ignore them until they are so obvious as to hit us in the face and then long after the pattern of that technology has been well set, long after entrenched interests have formed around viewpoints which support or restrain particular uses of that technology, then and only then do we attempt to weigh in with our opinion, and it frequently comes with a flat-out prohibition without any distinctions whatsoever between wise uses and unwise uses.

It was an effort to set a new pattern which led to the creation of this Board, but the passions which surround questions of religious intensity have thus far made the progress very, very slow. The good news, as I said, is that we put together the finest staff ever created in this area, the finest Board created, and a Board, I might say, more balanced with respect to pro-life, pro-choice than any similar board ever created by the Federal Government.

The bad news is we are at an impasse in resolving the 14th member of the Advisory Committee, and the way in which the Board itself may be led in this Congress. But I think the effort is so important because these questions will not go away. They will become more numerous and more insistent with their demands upon our time and attention. And if this Board is disbanded, then the questions will still be there, and the next time one of these questions comes up on the floor of the Senate for resolution and they say "refer it to the Board," the Board would not be there.

There would be no way in which to address the questions. It may come to that. I do not know. I had hearings in this area—I do not know—some 8, 9 years ago, and it is for that reason that I have continued my interest. It is a painful pursuit, I guarantee you. The questions are excruciatingly difficult. The politics of it are impossible, to say the least, and completely and totally unrewarding.

But the importance of the questions is very, very genuine and real, and we have got to find some way to address them. So I come to you, Mr. Chairman, and conclude my presentation today by asking for your support of this very minimal request and to provide to you the assurance that if after a final effort to resolve the impasse, which has been described, it appears that it cannot be resolved, I and others will come back to you forthwith with an acknowledgement of that fact and a request that you do as you see fit with the funds that would otherwise be allocated to this work.

SUPPLEMENTAL APPROPRIATION

Senator **Reid**. Do you think this should be next year then?

Senator **Gore**. Well, we would like to have a supplemental funding because we think there is a chance that the impasse will be resolved in time for the work on the genetic engineering project to go forward full steam ahead this year. We would like to have some money in the supplemental, and we would like to get approval for the funding for next year as well. But in regard to both of those requests, we will come back to you if it appears that the political impasse will not be resolved.

ADDITIONAL COMMITTEE QUESTION

Senator **Reid**. Thank you very much, Senator Gore.

Senator **Gore**. Thank you all.

Dr. **Cook-Deegan**. Thank you.

Senator **Reid**. We will have additional questions which we will submit for your response.

[The following question was not asked at the hearing, but was submitted to the Board for response subsequent to the hearing:]

Question Submitted by Senator Don Nickles

ADJUSTMENTS TO FISCAL YEAR 1990 REQUEST

Question. As you know, the House Appropriations Committee has denied your fiscal year 1989 supplemental appropriations request of $901,000 in its action on H.R. 2072, the pending fiscal year 1989 supplemental bill. Given the budget constraints we are under, we may not be able to grant your request either.

Given that your fiscal year 1990 request for $2,359,000 and 18 positions is predicated on the supplemental increasing your fiscal year 1989 base to $1,145,000 and 9 positions, how will the denial of your supplemental request affect your projected workload for fiscal year 1990 and the resources necessary to accomplish that work?

Answer. If the fiscal year 1989 supplemental appropriations request is denied, BEAC will delay completion of its mandated studies. BEAC would be unable to do substantial work on the studies until next fiscal year, and would then hire staff as quickly as possible. Staff could then commission papers and let other contracts, but the amount would be lower because of the delay, with a need to carry over some funding to fiscal year 1991. Spending for equipment and office supplies for staff work would also be incurred in fiscal year 1990 instead of fiscal year 1989.

BEAC would thus spend roughly $600,000 less in fiscal year 1990, or a total of $1,800,000. This would not be an overall decrease in the expenses for completing studies mandated by statute, but rather a displacement of expenses into fiscal year 1991, with no opportunity to take on new studies until several months into fiscal year 1991.

ARCHITECT OF THE CAPITOL

STATEMENT OF GEORGE M. WHITE, ARCHITECT OF THE CAPITOL

ACCOMPANIED BY:

- **J. RAYMOND CARROLL, DIRECTOR OF ENGINEERING**
- **EMANUELE CRUPI, BUDGET OFFICER**
- **WILLIAM L. ENSIGN, ASSISTANT ARCHITECT OF THE CAPITOL**
- **PAUL PINCUS, LANDSCAPE ARCHITECT**
- **WILLIAM F. RAINES, JR., ADMINISTRATIVE ASSISTANT**
- **LARRY STOFFEL, SUPERINTENDENT, SENATE OFFICE BUILDINGS**
- **TOM WARD, SUPERVISING ENGINEER, CAPITOL BUILDING**
- **BEN WIMBERLY, GENERAL COUNSEL**
- **DR. BARBARA WOLANIN, CURATOR**

INTRODUCTION OF ASSOCIATES

Senator REID. Mr. White, the committee has your prepared remarks which will be made part of the record. We would ask that you summarize your statement and introduce anyone that you have with you that you want to introduce.

Mr. WHITE. I have with me the people that are listed, I think, on the submission that we made. I have Ray Carroll, our Director of Engineering; Manny Crupi, Budget Officer—these are in alphabetical order—Bill Ensign, the Assistant Architect; Larry Stoffel—I have deviated from the alphabetical list—Paul Pincus is here, our Landscape Architect; Bill Raines, my Administrative Assistant; Tom Ward, who is the Supervising Engineer of the Capitol Building; Ben Wimberly, our General Counsel; and Dr. Wolanin, our Curator, and Gail Stanley, my staff assistant. And then there are others that I will not take the time to name.

OPENING STATEMENT HIGHLIGHTS

Mr. Chairman, as you suggest, I will simply highlight the statement. The total increase that we have asked for this year, leaving out the House items, is $48 million in round numbers, almost $49 million. The increase falls into five categories; mandatory items, which include personnel benefits and premium pay items and other items required by law, are 6 percent of the increase.

New positions, a total of 12 are requested, result in 1 percent of the increase. Annual recurring maintenance is 2 percent of the increase. So leaving out then for the moment cyclical maintenance and continuing and other programs, the other two categories, which include those things that occur one time only or once every 10 or 20 years, our increase is actually very small, a total of only $4.2 million out of roughly a $104 million base. So that is only about a 5-percent increase, actually 5½ percent.

The next category is cyclical maintenance, and I use that term to describe those things which take place every 10 or 20 years such as roof repairs, sidewalk replacement, and so on; as you know, we do not provide, as one does in the private sector, a reserve for replacement or that sort of thing, so we do not build up an account over time, and, therefore, it often comes as an unwelcome increase when the need arises.

The same thing, of course, is true in a slightly different way with continuing and initiating other programs which is 70 percent of this increase. There are some major items here such as the program for replacement of the transformers containing PCB and continued funding for the installation of computer systems and power conditioners in the Senate Office Buildings, the Senate subway system improvements, the baghouse filter for coal-fired boiler No. 3 at the Power Plant, and so on.

Those major items compose, as I say, 70 percent of the increase. I have also asked for inclusion of pertinent language to increase the limitation of House Concurrent Resolution 550, which has to do with security measures, in the amount of $192,000 that is requested for the x-ray package units and additional magnetometers which are for the House side of the Capitol.

WEST CENTRAL FRONT TERRACES

Two other projects I will briefly mention, Mr. Chairman; the first is, just to refresh your recollection, the west front project which was completed in 1987, 1 year ahead of schedule, and $25 million under the budget. Those funds, as you know, still remain. There are structural problems with the terraces, an analysis of which was made last year and the Commission on the West Central Front directed me to request reprogramming in the amount of $9,820,000, of which you are aware. It is my understanding that we have been directed to proceed to get more detailed cost estimates through the design process in order to determine what the actual bids will be, and we are preparing to do that.

LIBRARY OF CONGRESS RENOVATION

The second one is the Library of Congress project, the cost of which is a total of $81 million. The project is in good condition. We are running about another month or so behind our schedule, but we are within the cost estimate. We expect to have phase I, which is the first half of the building, completed and ready for occupancy by October or November of this year, at which point the interim occupancy phase will begin; that will require moving the people from one half into that completed half, at which point we will begin work in the vacated half of the building.

PREPARED STATEMENT

Of course, there are details of this in the justifications. That completes a rough summary, Mr. Chairman. I will be glad to answer any questions if I am able to do so.

[The statement follows:]

STATEMENT OF GEORGE M. WHITE

In presenting our appropriations request for fiscal year 1990, Mr. Chairman, I intend to proceed, with your approval, in the same manner as has been the practice for the past several years, that is, to present a brief summary of the various requests, following which I will be pleased to respond in detail to questions regarding any of the specific items that you wish to pursue.

The justifications have been prepared, Mr. Chairman, to include all items pertaining to the "Architect of the Capitol," including Senate items, House items, joint items, and the Botanic Garden.

The total appropriation request for fiscal year 1990 is $178,145,000, which includes funding for 2,100 positions. This represents a net increase of $64,484,000 over the fiscal year 1989 total of $113,661,000. Stated differently, gross increases requested are $73,681,000 which have been reduced by nonrecurring fiscal year 1989 deductions amounting to $9,197,000. If the item "House Office Buildings" is excluded, the $73,681,000 increase for 1990 reduces to $48,842,000, of which $22,364,000 is for Senate Office Buildings. The $48,842,000 increase falls into five categories, namely,

Mandatory Items, which total $2,736,400, or 6% of the increase; This category includes personnel benefits and premium pay items for existing positions and within-grade salary advancements and other changes authorized by law.

New Positions, which total $306,000, or 1% of the increase; A total of 12 new positions are requested in the fiscal year 1990 budget. Although I am aware of the restraints placed on the legislative branch in terms of new positions allowed over the past few years, I nevertheless feel obligated to bring these staffing concerns to the Committee's attention. The positions requested, are for the most part, needed to provide support for activities that are workload increases and to improve service delivery. Some of these workload increases are in the area of technical support for computer systems; others are a result of increased efforts in maintenance, as in the case of the seven-person cleaning crew requested for the Capitol Building. Other workload increases have been brought about by circumstances beyond our direct control, as in the case of the laborers needed for maintenance of the Library of Congress. The requested new positions fall into several work categories, namely: data processing division, two positions to provide critical analytical and technical support for ongoing data processing needs; Capitol Building night labor force, seven positions to provide for night cleaning of corridors, restrooms, elevators, and public spaces on the House side of the Capitol; Library of Congress, two laborers to carry out the duties previously accomplished under contract by the Library of Congress but that have now been transferred to the Architect of the Capitol; and one clerk typist for the Botanic Garden to provide clerical and office support and relieve foremen and facility managers from clerical tasks.

Annual Recurring Maintenance, which totals $1,216,600 or 2% of the increase: This category is required to finance normal maintenance responsibilities, such as repairs and improvements to electrical, air conditioning and other mechanical systems; procurement of supplies and materials and equipment; cleaning and custodial care; and painting. Of the total increase of $1,216,600 approximately $313,000 represents inflationary increases. The balance of this increase, $903,600, is required primarily for ongoing needs in the areas of data processing equipment, additional warehouse space for the Clerk of the House of Representatives, repairs to existing House and Senate restaurant equipment and an increased need to purchase natural gas due to the temporary conversion of a coal-fired boiler to gas.

Cyclical Maintenance, which totals $10,183,000, or 21% of the increase: As indicated in the past, I define this category as long term maintenance items that arise only once in ten or twenty years, such as roof repairs, sidewalk replacement and so forth. Four of the largest items total $6,969,000, and represent 68% of this increase in monetary terms requested under this category. They are continuation of replacing sections of the air conditioning system in the Russell Building ($781,000), repairs to the pipe tunnel under North Carolina Avenue, S.E., ($5,000,000), retubing four oil-fired boilers ($588,000), and replacing the steam lines from the Rayburn Building to the Botanic Garden ($600,000). The remainder of $3,214,000 is required for several items for property and equipment maintenance replacement.

The last category is Continuing and Initiating Other Programs, which totals $34,400,000, or 70% of the increase; Included in this category are funds for such programs as replacement of PCB transformers ($3,934,000); an advance in place monitoring system for the House side of the Capitol Complex ($3,000,000); continued funding for the installation of computer systems and power conditioners in the Senate Office Buildings ($2,000,000); Senate subway system improvements ($10,000,000); improvements to the Russell Building electrical power system ($2,000,000); a baghouse filter for coal-fired boiler no. 3 at the power plant ($3,000,000); and $10,466,000 for several other items.

At this time, Mr. Chairman, I thought it appropriate to mention that I have provided, through inclusion in the requested 1990 appropriations language for the Capitol Buildings, pertinent language to increase the limitation of cost of H. Con. Res. 550 from $8,515,000 to $8,707,000. Of the requested increase of $192,000, $168,000 is to provide for four x-ray package inspection units and $24,000 is to provide for six additional magnetometers, all for the House side of the Capitol Complex. Additional units for the Senate side were funded previously. These units are critical to our building security program, and have been recommended by the Capitol Police Board and the Chief of the Capitol Police.

I would also like to mention briefly two major projects and their progress. The West Front Restoration was completed in September 1987, nearly one year ahead of schedule and $25 million under budget. The study on the structural problems with the terraces was completed last year, and the Commission on the West Central Front directed me to request a reprogramming in the amount of $9,820,000 to repair the terraces and provide 4,800 square feet of utilitarian space under the middle terrace level. I subsequently requested a reprogramming from the House and and Senate Committees on Appropriations. The House Committee on Appropriations approved the request on February 2, 1989. I am prepared to brief the Committee on these recommendations.

The Library of Congress Renovation and Restoration of the Thomas Jefferson and John Adams Buildings is progressing well. All Milestone I work was completed in November, 1986. The major work in Milestone II, which is the Architectural, Mechanical and Electrical work is well underway at this time, and contracts have been awarded for most of the balance of the Milestone II work. I am pleased to report that areas on the fifth, third and second floors of the John Adams Building are ready to be accepted for beneficial occupancy, and very shortly the first floor will also be ready. Areas in the Thomas Jefferson building are also ahead of schedule. Overall completion of Phase I is scheduled for September 1989. Preparatory work on Phase II, which includes Interim Occupancy (Milestone III) and Phase II Renovation (Milestone IV) is proceeding. Detailed reports on each project are included in our justifications.

Mr. Chairman, that concludes my brief summary and I shall be pleased to respond to questions that you and the Committee may have.

SENATE SUBWAY SYSTEM

Senator **Reid**. Let us talk a little bit about the subway. Is the $10 million that you have requested for a completed subway system?

Mr. **White**. Yes; it is for a completed subway system. That is an estimate, of course.

Senator **Reid**. I understand.

Mr. **White**. We expect bids to be submitted by the 16th of this month. They have been in process of being prepared by the bidders for several months.

Senator **Reid**. What are the two alternate plans that you have for that? It is my understanding that Rules has two alternate plans.

Mr. **White**. Well, there were some alternate plans that were abandoned. The one that we are proceeding with is the one that was selected.

Senator **Reid**. OK. Tell me what that is.

Mr. **White**. And that is a—what is——

Senator **Reid**. Loop system, is it?

COLLAPSED LOOP SYSTEM

Mr. **White**. Yes; it is called a collapsed loop system. In effect, what happens is that when the car traveling from one end to the other reaches the far end, it will switch back on to the other track so that, in effect, you have a loop but without a circle at the end. It is a switch-back sort of an arrangement so that you can have four, as in this proposal, four cars operating. And you can have as many as you wanted really except for the required headway time that would be required in between the cars. So four cars then would be a continuous loop running between the Capitol, the Hart Building, and the Dirksen Building. The result will be that if you miss one, there will be another one coming along soon after.

Senator **Reid**. So you would have the cars between Dirksen and Hart and the Capitol. The Russell would be the same as it is.

Mr. **White**. The Russell would remain as it is. This has no effect on the Russell Building at all. That does not seem to be a problem in terms of transportation. The result will be much more rapid travel time to the Hart Building.

Senator **Reid**. It is my understanding, Mr. White, that there is a tremendous cost involved with these old cars each time something happens to one of them. You do not go buy a new part; you have to make the part.

Mr. **White**. That is true because they were custom designed and built, and the company that did that has long since passed into oblivion. And even if it were in existence, the chances are it would have to also make the parts since these are nonstandard parts. Furthermore, the replacement of those cars under the existing method of operation, my recollection is, would amount to approximately $3 million.

Senator **Reid**. Say that again.

Mr. **White**. The replacement of the existing cars with the present arrangement, that is, simply installing new cars, would cost about $3 million. So it is the differential which needs to be looked at.

Senator **Reid**. But the cars, you would have to make new ones?

METAL FATIGUE IN OLD SUBWAY CARS

Mr. **White**. We would have to make new ones. The present cars are about, my recollection is, 25 years old. And the metal fatigues. The frames for these cars, for example, have cracked over a period of time as the vibrations cause the metal to fatigue, and we have re-welded them and re-welded them; it is like scar tissue on top of scar tissue.

Senator **Reid**. With the new system, would you be able to handle all the traffic between the two buildings?

Mr. **White**. Yes; and with much greater speed, and also with very much lower maintenance and without operators. You could have operators, but this system that we are proposing does not need to have operators. It is computer controlled, something like some of the people movers that you see in airports and various places.

Senator **Reid**. My point is, Mr. White, $10 million is a lot of money. However, it is my understanding that that cost is misleading because you save the cost of labor to maintain the present cars. That is to operate them plus to repair them all the time plus the parts for the old ones.

Mr. **White**. That is correct. And we are proposing a system that has minimal maintenance. As a matter of fact, the cars in one of the proposals have no moving parts except the wheels and the doors opening and closing; it would be similar to the propulsion method which is used at Disneyworld cars, for example.

Senator **Reid**. This is something that we will have to spend a little more time on, but just tell the other members of the committee, this is a perfect item for one of us to get up on the floor and say, you know, here is another perk for us. But I think the case can be made that we are actually saving the Government money by being more efficient in this instance.

Mr. **White**. There is no question about that over time, Mr. Chairman.

Senator **Reid**. I remember when I was in the House every year the same amendment would be filed to get rid of the operators out of the elevators over there because they were automatic elevators. Why do you need someone operating them? Well, the point of the matter is that even though they look like they are automatic, it would never work if they were automatic all of the time, especially if somebody had to get down from the seventh floor.

So anyway I wanted to talk about this a little bit because I think if we are going to be able to get this subway system so that not only the Senators themselves but the public and the staff can move about more freely, it is going to have to be done by being able to show the Congress that it is not a $10 million perk and nothing in return. Now if that case can be made for it, I am sure that we can get it. If we cannot, we are not going to be able to do it.

POTENTIAL FOR COST SAVINGS

Mr. WHITE. I am sure the case can be made for it, Mr. Chairman. We have analyzed it, and, of course, the payback period on the basis of reduction of labor costs alone is easily computed.

Senator REID. What I would like to do, Mr. White, is have your staff spend a little bit of time doing that so that when and if we approve this, we can go to the Senate floor with something indicating that this is not $10 million that is just being thrown into a subway system with no return.

Mr. WHITE. I will be glad to do that.

Senator REID. I have a number of other questions, but I would turn to the rest of the subcommittee.

[The information follows:]

SUBWAY MAINTENANCE ANALYSIS CURRENT AND PROPOSED SYSTEMS

Grade	Position	Current system						Proposed system					
		Number of positions	Salary	Benefits at 21.42 percent	Total compensation	Maintennace cost	Total	Number of positions	Salary	Benefits at 21.42 percent	Total compensation	Maintennace cost	Total
WS–10	Subway mechanic foreman	1	$37,378	$8,006	$45,384		$45,384	1	$37,378	$8,006	$45,384		$45,384
WS–09	Subway mechanic assistant foreman	1	35,984	7,708	43,692		43,692	1	35,984	7,708	43,692		43,692
WG–11	Subway mechanic	1	30,202	6,469	36,671		36,671	1	30,202	6,469	36,671		36,671
WG–10	Subway mechanic	1	25,917	5,551	31,468		31,468	1	25,917	5,551	31,468		31,468
WG–08	Machinist worker	1	28,766	6,162	34,928		34,928						
WG–08	Subway mechanic worker	1	25,917	5,551	31,468		31,468						
WG–05	Subway car operator	9	181,335	38,842	220,177		220,177	5	100,742	21,579	122,321		122,321
WG–05	Control panel operator							3	60,445	12,947	73,392		73,392
	Total personnel	15	365,499	78,289	443,788		443,788	12	290,668	62,260	352,928		352,928
	Maintenance appropriation					$25,000	25,000					$17,500	17,500
	Total	15	365,499	78,289	443,788	25,000	468,788	12	290,668	62,260	352,928	17,500	370,428
	Current system cost							15	365,499	78,289	443,788	25,000	468,788
	Savings							3	74,831	16,029	90,860	7,500	98,360

SUBWAY MAINTENANCE

Senator **Nickles**. Thank you, Mr. Chairman. I have several, too, and I also have a number of constituents. I am going to have to run very quickly, but Mr. White, just looking at your budget request, it shows maintenance and repair for the subway system increasing from $25,000 to $26,000.

Mr. **White**. That is maintenance and repair. That item has to do with really an inflationary increase in the cost of parts. That does not include labor at all. Those are funds that are requested for the parts that are needed.

Senator **Nickles**. I understand. But that is rather insignificant if we are looking at total cost.

Mr. **White**. I think the big problem is not so much parts and cost of materials as it is labor. The labor is extensive.

Senator **Nickles**. Let me just move on to a couple of other things. I think the subway system is one. That is $10 million. You have requested a $64 million increase from 1989 to 1990 which is a 57-percent increase. Mr. Chairman, that is going to be very hard to sell any time any place, and I have read your statement. I read your statement prior to coming here. But Mr. White, that is just going to be a very difficult thing to do, and we had the ranking member of the full Appropriations Committee, but that kind of an increase percentagewise is bound to receive some attention.

I am not expert enough on each one of these individual requests. I notice the House was looking for $22 or $23 million for some of their projects, and then you mention the total number of items of $56 million that I have little itemization of.

Senator **Reid**. Don, if you would yield just a second. One of the points that I stressed in my statement, too, is that in view of the budget constraints we have, we are going to have to set some priorities in some of these things.

Senator **Nickles**. Exactly.

Senator **Reid**. Please proceed.

Senator **Nickles**. Well, I appreciate that, Mr. Chairman, and we will work with you on that, and we will work with you as well, Mr. White, but I do not think you are going to get $64 million. So I do think we need to know those priorities.

DONATIONS OF SURPLUS FOOD

One thing I have been working on is allocation of surplus food from hotels and others, and we may be doing some legislation to make that more possible. We have requested that the Capitol donate surplus food to charities. What is the status on that?

Mr. **White**. That is being implemented right now. We have with us John Hitzel who is the manager of our food service facilities, and perhaps he could report that. John?

Mr. **Hitzel**. Senator, we implemented a program August 1, 1988, whereby we donate on a daily basis Monday through Friday any left over foods that are gathered in the cafeteria to Martha's Table and another association of Martha's Tables. It is handled through the UPO, United Planning Organization, under the jurisdiction of the D.C. government.

It is a very successful operation. Food is distributed daily to the needy of the District of Columbia according to the resolution that was passed approximately 1 year ago.

Senator NICKLES. Good. Well, I compliment you on that. I really want to see that happen. I also want to see it happen with a lot of the other groups who are afraid to do it because of liability problems that it encumbers. But I do think it is vitally important.

WEST FRONT PROJECT UNOBLIGATED BALANCES

One other thing you mentioned the work that was done on the west front. It was about $25 million under budget. That money was appropriated. So you have reprogrammed some of those moneys. How much? What is the balance of those funds that are available for reprogramming?

Mr. WHITE. Approximately $15 million.

Senator NICKLES. You have reprogrammed about $10 million?

Mr. WHITE. Well, that is right. About $10 million.

Senator NICKLES. For terracing?

Mr. WHITE. For the terraces and there is another request in process now that will come to you, but there is about $15 million at the moment, $10 million having already been spoken for.

Senator NICKLES. Should we not include that $15 million in this list of projects?

Mr. WHITE. That is entirely up to you. The issue is whether you want to preserve it there for some other purpose or use it now. It has been there now for some little time. There is another proposal being made for the filling in of the courtways on either side of the center line of the Capitol, which would enable some space to be gained by, in effect, merely raising the landscaped surface, which would utilize some of that basement space. That is a proposal that has been approved by the Commission on the West Central Front and has not come to you people yet, but should within the next week or so. It has just been approved a week or so ago. That might utilize some of it. But that is entirely up to you how to use the funds. They are there.

PREVENTIVE MAINTENANCE FOR RUSSELL ELEVATORS

Senator NICKLES. Let me ask you just one final question, and I do need to run. Your budget request includes an additional $150,000 for preventive maintenance on Russell Office Building elevators.

Mr. WHITE. Yes.

Senator NICKLES. Staff informs me that last year $632,000 was provided for Russell elevator renovations, but none of those funds have been obligated as of January 31 of this year.

Mr. WHITE. That is correct. They are about to become obligated, however. There are funds available for this year, and we are just now getting into the letting of contracts and the preparation of those have taken some time.

Senator NICKLES. Even with all that so if you spend the $630,000, you are still going to need an additional $150,000 for those elevators?

Mr. WHITE. Probably that could be reexamined. These amounts, of course, are guesstimates when we make them, and as we begin to implement them, we could reexamine that. I am not prepared to say that we must have it or the elevators are not going to be maintained.

MINTON TILE REPLACEMENT

Senator NICKLES. Let me just move on the same type of subject. On the obligation of funds for projects, there is $1.5 million provided in 1982 for replacement of the Minton tile at the Capitol?

Mr. WHITE. Yes.

Senator NICKLES. Staff has informed me that as of January 1 of this year only $250,000 has been obligated for the project.

Mr. WHITE. Oh, I think that may have been what is obligated up until now, but now we are prepared to obligate the balance of it. It has been a slow moving process. As you know, we replaced a number of the tiles in the Capitol on the first floor, and there was a lengthy process involved in being certain that it was properly done.

I am told that as of March 31, there is an obligated balance of that $1.5 million of $881,000. So there have been a number of obligations since those numbers were made available to you on January 1. In other words, right now it is beginning to come to fruition. And the rest of the funds will barely cover what is left to be done.

Senator NICKLES. Well, I am not urging you to spend the money if it is not needed. I am just wondering. That money was authorized back in 1982. You are talking about a significant time lag for getting it done.

Mr. WHITE. It is, but those tiles are made by hand one by one.

Senator NICKLES. Who makes those?

Mr. WHITE. They are made by the H&R Johnson Tile Co., which is a successor to the Minton Tile Co., in England.

Senator NICKLES. Are they made in England?

Mr. WHITE. They are made in England as were the original tiles.

Senator NICKLES. I have several other questions.

Senator HATFIELD. Would the Senator yield at that point?

Senator NICKLES. Be happy to.

Senator HATFIELD. But they went out of business and we bought up their reserve of tiles, is that the case?

Mr. WHITE. Yes; well, what——

Senator HATFIELD. A few years ago you discussed with me the problem which arose because the company that had the so-called formula was going out of business. So we went ahead and bought up these tile so that we would not be left, then, without replacements.

Mr. WHITE. That is almost exactly right. The company was going to go out of the business of making these tiles which they had begun as a result of our inquiries—they were having all kinds of difficulty and we were not placing any orders with them; they had invested a lot of money in reestablishing the method by which these tiles are made, which had not been done for years and years. And so our orders encouraged them to remain in the business, and of course, that is still true.

They are anticipating the future orders. And I am sure that it will—well, as you can see from the tiles that were replaced it is a magnificent result. And we think that the $1.5 million will just barely finish what we need to finish. As a matter of fact, we have cut back in some areas where there is a little wearing that we think can be tolerated in order to proceed with the limit of $1.5 million.

Senator NICKLES. Thank you, Mr. Chairman. I will submit some additional questions.

Senator REID. Appreciate your coming here, Don.

Senator NICKLES. Thank you.

Senator REID. Senator Hatfield.

JEFFERSON BUILDING ROOF

Senator HATFIELD. Mr. Chairman, you are always so very kind to yield to the other members of your subcommittee. I have just two or three brief questions. One is on the Thomas Jefferson Building. The chairman, I think, will recall our discussion with Mr. Billington when he talked about the completion of the Jefferson Building. You raised a question, as I recall, about the roof replacement on that building.

Mr. WHITE. Yes.

Senator HATFIELD. Tell me about the roof.

Mr. WHITE. The copper roof is in need of replacement here and there. It is just deteriorating as copper does after many, many years. It begins to get spongy, and you fix it here, and it opens up over there. We have a contract about to be let for a consultant whom we have used on other roof projects to examine the roof and make a recommendation as to how extensive the repairs need to be. But we are carefully monitoring it.

Senator HATFIELD. Well, very frankly, what concerns me as a layman is that we are putting all this money into the restoration of the building, when it's possible that all of a sudden the roof could break open. Then we would have the whole thing to do over again because we did not put the new roof on first before we repaired the inside.

Mr. WHITE. It is a valid concern. However, we are on top of it. The roof is not in the condition that it is suddenly going to open up.

Senator HATFIELD. Well, no, but remember a lot of those repairs were necessary because of the leaks.

Mr. WHITE. Yes; but leaks——

Senator HATFIELD. I toured those before we ever started the project.

Mr. WHITE. You are correct. Those leaks were coming through the walls. They were not roof leaks.

Senator HATFIELD. Oh.

Mr. WHITE. But we are aware of it. It is a serious problem, and we will come back for some funds to repair the roof.

Senator HATFIELD. I can tell you, George, if we have damage because of a leaking roof after we invest all this money, we are going to deduct it from your salary. [Laughter.]

At least I will make the motion.

Mr. WHITE. That will take a number of years, I think. I might not live long enough for you to get the money back.

WITHDRAWAL OF RETIREMENT BENEFITS

Senator **Hatfield**. Who knows. Mr. Chairman, we have a very interesting situation concerning personnel that, again, shows how jurisdictions are awfully fuzzy at times and somewhat difficult to follow. Everybody who gets paid from the disbursing office in the Capitol including your staff and our committee staffs have an employee's privilege or right, if they want to pursue it, to pull out their retirement in a lump sum. They can take a leave of absence for 4 days and be off the payroll, obtain their retirement lump sum, and then come back on the payroll at the end of that 4-day period.

They are trading the short-term benefit for a long term. Then we have those who work for the Capitol Architect. They do not have that. That means that they have to be off work for a month, which has very serious consequences. And again, both of these groups have to decide to do this through counseling and with a valid reason. It cannot be done for someone who wants to take off for a weekend in Bermuda and draw those retirement benefits out.

But I know of a case of a young man who wants to get married. He is in a semi-skilled job under the Capitol Architect, and he wants to establish a home and a family. Evidently, he is a very responsible, very remarkable young man. But he cannot obtain a downpayment for a house to establish those important things because he works for the Capitol Architect.

Now if he were on our payroll with counseling and agreement, he could obtain, in effect, that retirement benefit and get his home. At his age, I think he is a man in his thirties, hopefully he would be able to build up long-term retirement to take care of himself in his old age. But in the meantime he would have a home.

It seems to me that a distinction between what the employees of the Capitol Architect and what our employees as members of the Senate are paid out of the disbursing office tends to set up an inequity. Now, George, I suggest that we draft an amendment that would give that same standard of criteria for that right to your employees as we have among ours. Walking down the hallway it is awfully hard to tell which person is the Capitol's Architect's employee and which one is our employee.

Senator **Reid**. Why would we not do that?

Mr. **White**. There is no reason that I am aware of. Bill Raines, my administrative assistant, if you will, might want to speak to that.

ADMINISTRATIVE PROHIBITIONS

Mr. **Raines**. Senator Hatfield, we have been looking into that question. As you know, we responded to your inquiry, and our general counsel has been looking at the possibility of such language that we could recommend. We have a couple of problems that are probably uniquely Architect's office in addition to this question of withdrawing of funds in the retirement system.

Our employees are automatically under retirement, whereas employees of the House and Senate it is an optional feature with them. So for some reason that has something to do with how long you have to be off the payroll like in our case the 30 days versus your 4.

We also have the problem of the employees of the Architect's office being under the Annual Sick Leave Act. So when you terminate their employment, you have to have a lump sum payment so they cannot be reemployed during the time that that lump sum payment is in effect, whatever period, number of days your payment is for.

So there are some unique problems that we are trying to overcome with respect to that to try and accommodate your request.

Senator HATFIELD. I appreciate your last sentence because you have given me all the reasons why it cannot be done, and I want to know how it can be done.

Senator REID. How would CBO score that? Would it have any impact?

Senator HATFIELD. I do not know the answer to that.

Senator REID. It would not be much if it did.

Senator HATFIELD. No; I would not think so, but I do not know.

Mr. RAINES. I do not know what the impact of that is.

Senator HATFIELD. Well, let me suggest this. Within the timeframe between now and mark up if we can find some way to handle it, fine, but otherwise, Mr. Chairman, I would like to offer an amendment on this question.

Senator REID. Sounds reasonable to me.

Senator HATFIELD. One last question. Mr. Chairman, as you are perhaps aware, there is a plan being developed that would repair the Statue of Freedom on top of the Capitol through private donations. I would like, before we get too much involved in that, and I am not opposed to it, I just want to know whether that funding is going to supplant the regular appropriation of money which is required from time to time for repairs.

Mr. Chairman, maybe this is not the time to discuss this, but I just want to raise the issue. Possibly the Architect and our chief of staff can get together and review some of the problems that might arise within the appropriations process.

Senator REID. I think that is something we should anticipate.

EAST PLAZA FOUNTAINS

Senator HATFIELD. And one last point. Where are we on the fountains for the east front?

Mr. WHITE. That is in a similar category to the subject that you just mentioned. Efforts are being made through the entity that was established by law last year, this Preservation Commission, to raise the funds in order to establish those fountains. And that is actively taking place.

I might say my recollection is that the legislation provides, in order to try and resolve this important problem that you mention, that none of these funds may be used without the approval of the Appropriations Committees so that you retain control over that.

Senator HATFIELD. Mr. Chairman, a number of years ago a lady, and you perhaps are aware of this, contributed two magnificent water fountains.

Senator REID. Yes.

Senator **Hatfield**. And she led the battle to get the parking lot removed from the east front of our Capitol Building which I think has been an eternal disgrace. Senator Byrd under the Bicentennial Commission had wanted to give these fountains as a gift from the Senate and the House to the Capitol, because they'd make a very attractive replacement for parked cars.

PLAZA PARKING REMOVAL

Senator **Reid**. Is that not the truth? By the way, I got a letter today from the Sergeant of Arms saying the Senate cars would be off on May 22.

Senator **Hatfield**. Yes; is that not great?

Senator **Reid**. Yes; it sure is.

Mr. **White**. And then as you know, Senator Hatfield, we planned to pave that area and make a pedestrian area out of it with benches and some landscaping.

Senator **Hatfield**. Yes, yes, yes.

Mr. **White**. Cars could still go on there for ceremonial purposes and for emergencies or however you want to do it. That would still be usable for parking or for travel, but it would be basically a pedestrian area.

Senator **Hatfield**. That is right. Belgian block.

Mr. **White**. Belgian block.

Senator **Hatfield**. Is that what is on this side, the east side of the National Gallery of Art between that and the East Wing?

Mr. **White**. Yes, yes.

Senator **Hatfield**. I want you to go down to look at it. Maybe it was the installation, but women wearing high-heeled shoes are in constant danger there.

Mr. **White**. Yes; it was done in such a way as to recall the old cobblestones. It can be done more smoothly—if you look at—we also have it in front of the James Madison Memorial Building of the Library of Congress.

Senator **Reid**. Yes; it is much better there.

Mr. **White**. And it is very smooth there. It was applied differently.

Senator **Hatfield**. All right. I thought probably it was an installation problem, but it is nonetheless a trap for women.

Senator **Reid**. It is hard for anyone to walk across that, let alone women in high heels.

Senator **Hatfield**. Yes; that is right. But especially if you have a little peg that you are trying to walk on. Thank you, Mr. Chairman. I appreciate it.

ANALYSIS OF PROJECTS WITH SAVINGS

Senator **Reid**. You indicated you have $25 million left over from the project on the west front.

Mr. **White**. That is correct.

Senator **Reid**. Do you have any other projects that have come under budget by a significant sum, say hundreds of thousands of dollars or more?

Mr. **White**. I would have to check that. None of them come immediately to mind. There may be some where we have some funding remaining. I would have to check that and supply it for the record.

Senator **Reid**. Would you do that? That would be nice.

Mr. **White**. Yes.

[The information follows:]

The majority of project work performed by the Architect of the Capitol consists of small projects. These projects are too small to generate savings in the order of magnitude of hundreds of thousands of dollars. Recent large projects that would have significant savings in the hundreds of thousands of dollars include construction of the James Madison Memorial Building and Hart Senate office Building, Restoration of the West Central Front of the Capitol, and the ongoing Renovation and Restoration of the Thomas Jefferson and John Adams Library of Congress Buildings. The latter project is still under construction and thus savings cannot yet be estimated. Of the other three projects, only the West Central Front project generated significant savings. That project was completed one year ahead of schedule and $25 million under budget.

FUTURE OF AOC ORGANIZATION AND DIRECTION

Senator **Reid**. Mr. White, you have about 2,100 employees that work for the Architect for the Capitol distributed among several units and activities including office, Capitol buildings and grounds, Senate Office Buildings, House Office Buildings, the Library, Botanic Gardens. I am interested in knowing more about your long-term planning for both the management of your organization and for the definition and execution of your mission under changing circumstances.

What are your thoughts on the future direction of the organization, the goals and objectives that you would like to accomplish during the next 5 years?

Mr. **White**. Mr. Chairman, I spoke about some of this on the House side. We have had a number of gradual changes take place in our office, and when changes take place gradually there is a tendency not to notice them. We do not notice ourselves getting older, for example, by looking in the mirror in the everyday, but suddenly it becomes apparent that we have.

The same thing is true within organizations, and it occurred to me that when I first came here 18 years ago the office was much smaller and it engaged in its operations in the way that we still do in terms of the appropriations process, that there was another way to look at it, which might be useful to reflect on in terms of appropriations.

The appropriations process is such that we, as you just announced, appropriate funds for the Senate Office Buildings, for the House Office Buildings, for the Capitol, for the Library, et cetera, et cetera. There is a tendency for that to overshadow the fact that we are actually, using the private sector terminology, we are actually in different businesses.

BUSINESS APPROACH TO FUNCTIONS

For example, our office is, among other things, in the construction business. We build new buildings. We manage the construction of new buildings. We are modifying existing buildings. It is a major business that we are in.

PROPERTY MANAGEMENT

And we are in the property management business. Maintenance of all of these buildings all over the Hill, responding to occupants' needs for services, et cetera, alterations to those buildings. That is a property management function, and an entity in the private sector handling 12 million square feet under roof for property management would consider that a major business.

TRANSPORTATION

We are in the transportation business. We talked about the subways. We have some 250 pieces of equipment in the form of elevators, escalators, subways, shuttle vans. It is a transportation business, vertical transportation as well as horizontal. That is a major effort. If someone were assigned the job of running that transportation business, they would consider it an important business.

LEASE MANAGEMENT

We are in the lease management business increasingly. We manage the leases for warehouses, but the legislation last year which provided for the Judiciary Office Building next to Union Station has made our office a sort of legislative branch GSA. We are going to lease that entire building from the developer. The Government is putting in the land. The developer is going to build the building, borrowing money from the private sector. Our office will lease that building and sublease it to other occupants, the administrative offices of the U.S. courts, and perhaps one-third of the building back to GSA. So that is a lease management business that we are in, and that is a major building.

The same thing is true of the city Post Office. The GSA is leasing, or preparing to lease the entire City Post Office Building on the other side of Union Station from the Postal Service; 150,000 or so square feet of that will be leased to the legislative branch. The Senate Rules Committee has been very interested in that. We have no numbers yet so I have no authorization, and therefore, we have not come to you yet. But if that eventuates, we will be once again in the lease management business. That is a major operation. And so on. We are in the food service business.

FOOD SERVICE

We operate the food service on the Senate side and also on the House side. On the House side, through a concessionaire, as you know, but that must be $15 million or so annual business on both sides. It is not a small operation. It occurred to me that these different businesses, I will call them, are like profit centers in a conglomerate, in the private sector. And what I am trying to do is reorganize our office so that there are people in charge of these different businesses in addition to being in charge of what they are presently doing, so that our architecture and our engineering and our accounting and our legal and our administrative and the various specialty items are, in effect, staff to the operation of these different businesses.

And I think if we were to, for example, create a shadow budget in addition to the one that we are required to do showing how these different businesses operate, it might offer an opportunity for a different kind of analysis of what the costs are in these various areas. And so those are some of my thoughts about reorganization. We are in the electronics business heavily, as you know from the number of staff people we have.

ELECTRONICS

We support the security program in terms of electronics. Fire and life safety, the radio, TV distribution, the speech reinforcement, the computerized conveyer systems in the Library of Congress. That all comes under our electronics activities. It is a major business, and somebody needs to look at it as a business, not necessarily a profit and loss business but as a particular kind of an operation. So we are reorganizing ourselves in that regard. One of the first areas that we are talking about is property management which is, of course, a major portion of what we do. I intend to put somebody in charge of property management all over the Hill.

CENTRALIZATION

So those are some of the thoughts, Mr. Chairman, about how our office needs to be viewed. It occurred to me that, for example, it may be that this might lead to a consideration of the possibility of a one-line appropriation instead of the way it is done now. I for a number of years have moved toward more centralized maintenance. If this were a college campus, and every group of two or three buildings had its own maintenance crews probably nobody could afford to go to college.

Now we cannot go all the way such as, for example, the University of Maryland, where maintenance is all central, and if you are in the law school and there is a problem in the building, you call up maintenance and they send somebody to fix it. We have analyzed that over time, and I have concluded that that would be a detriment to us to go all the way. But there are some opportunities for centralization, and we think there are some gains to be achieved by that.

There is a one-time gain, for example, to be made through centralizing stores, I will call it. That is our parts inventory. We have parts on the House side and on the Senate side, and while that central parts distribution entity would not save on an annual basis, we probably have many millions of dollars invested in inventory that at least one time around we could pick up by not having duplications of inventory all over the Hill. There are some things of that nature that I think would be beneficial for us to continue to pursue.

Senator **Reid**. OK. I think that there is a lot of room to do some more pursuing.

Mr. **White**. Thank you, Mr. Chairman.

Senator **Reid**. I think that these are all areas that we should look into. It certainly goes without saying that a central parts warehouse makes sense. I am not too sure that it makes good sense to have a maintenance crew in Dirksen and the Hart Building. I do not know. But that is something you need to look into.

CAPITAL PROJECT PLANNING

When I served in State government we had, like we do here, a limited amount of money. And for our capital improvements, we had a State planning board that would set priorities. If you had this much money, you get this one, two, three, and you had a long list of priorities. However much money the legislature came up with, if it was for six items then that was the end of it. I think it would be a good idea, following Senator Nickles' question, that you come up with a series of priorities for us. Here is what the Architect of the Capitol thinks. We have a different committee here than State level. You are the committee.

So project No. 1, project No. 2, No 3, and if you would list those for us, that would be beneficial.

Mr. WHITE. I will be glad to do that, Mr. Chairman. I might say in that regard in terms of the total of $56.9 million, almost $60 million of increase, these numbers were prepared in October. Since then I can offer some reductions almost immediately. For example, this is a House item, but nevertheless it is a $10 million item in the total, which I think we accepted as given to us by others, and in examining it ourselves, we think that $1.5 million is going to do that rather than $10 million.

Senator REID. That was for what?

Mr. WHITE. That was for a secure conference center.

Senator REID. Yes; I understand.

Mr. WHITE. Yes; and the baghouse for the No. 3 coal-fired boiler, estimated at $3 million, in order to conform to EPA clean air regulations, may be eliminated; we converted that boiler to gas burning, and there is a slight increase in our fuel cost which is in the justifications because of the increased cost of gas.

On the other hand, in examining that, once having done it, it may be that the cost differential between gas and coal, while gas is more expensive, will take 30 years to pay for the $3 million baghouse filter which is required if we go back to coal. So a judgment could be made that, well, for a 30-year payback it is not worth spending the $3 million. Those are issues that we will present for you.

Senator REID. Well, the initial decision I want you to make, and you give us a list of priorities.

Mr. WHITE. We will be glad to do that.

SENATE BUILDING MAINTENANCE

Senator REID. Then we will review those at the time I want them. Mr. White, as you know, we have an exchange of correspondence and some discussions about the condition of the Hart, Dirksen, and Russell Buildings. I do not want you to go into any detail. In fact, I do not want you to say anything. I just want to bring to your attention the fact that a number of Senators are concerned about the maintenance of the buildings.

And I am sure that you have already gotten word to those people that matter. But we are going to be watching that. We are all concerned about the condition of these buildings, as I know you are. The same, of course, applies to the Capitol. We know this is another one of those areas where the responsibility is sometimes not defined. But you are the only one I have to talk to right now.

CAPITOL PRESERVATION COMMISSION

Last year we established, and we talked about that a little earlier today, a Commission on the Preservation of the Capitol. The purpose of the Commission was to facilitate and encourage improvements and preservation of and acquisitions for the Capitol and other facilities under the control of the Congress. How is the Architect's office involved in the work of this Commission?

Mr. WHITE. I am by law a nonvoting member of the Commission. So I am involved in it in that sense. On the House side, there are some regulations being drafted for the Committee on House Administration which has some jurisdiction over this. In order to separate or clarify, I should say, the responsibilities that that legislation creates. For example, who will be responsible for works of art that are a part of the building rather than a freestanding statue or a painting that is hung on the wall.

Those sorts of things are being carefully examined also on the Senate side. So that I believe we will retain involvement in the actions of the Commission in order to protect those interests that you describe.

Senator REID. Do we have any projects now underway in conjunction with this Commission?

Mr. WHITE. None. The Commission has not yet formed.

Senator REID. I know Senator Byrd is in the process of appointing the Senate members.

Mr. WHITE. That is correct. It has not yet met.

ELEVATOR SAFETY

Senator REID. Last year there was concern about the safety of passengers riding the elevators in the Senate Office Buildings. We talked about that a little bit earlier in relation to Senator Nickle's questions. But it is my understanding you are actually in the process of beginning some work on this.

Mr. WHITE. That is correct. And we have made, I think, major improvements during the past year. You may recall a letter that I sent.

Senator REID. I frankly have heard no complaints personally about the elevators but I know that this is something that is ongoing.

Mr. WHITE. We had many of them, and we have recently had very few also because we think we have done some things to prevent those problems from arising, and we are going to continue to do those and some funds in here are requested for that purpose.

Senator REID. Is there some thought being given as to putting in additional elevators?

Mr. WHITE. Let me say that no matter how efficient we become, there is a basic underlying problem all over the Hill in the form of lack of capacity in vertical transportation.

Senator **Reid**. That is the example I gave with the Longworth Building.

Mr. **White**. Exactly.

Senator **Reid**. I was flabbergasted at the number of people that go up and down in those elevators every day.

Mr. **White**. Well, the elevators were installed and the buildings were designed at a time when the population within the buildings and the visiting population was dramatically lower than it is at the present. So all buildings, even the newest buildings, the Hart Building, for example, also have some capacity problems, largely, in the latter case, because one of the elevators while planned to be used in general was separately designated in each bank.

On the other hand, the older buildings are in the worst condition in that regard. We started a couple of years ago on the House side, and we have some preliminary proposals there, which we intend to carry forward on to the Senate side, for adding some elevators in the courtways of the Longworth and Cannon Buildings. A similar thing could be done in the courtway of the Russell Building. We have not begun that process of investigation yet, but we intend to.

Senator **Reid**. That, of course, would be a very expensive proposition.

Mr. **White**. Yes; it will be expensive to add elevators.

OLD SENATE CHAMBER WATER PENETRATION

Senator **Reid**. Last year a problem with water penetration was noted in the Old Senate Chamber. You provided a statement in the record that indicated your staff would come up with the problem and what a solution would be. What have you come up with there?

Mr. **White**. Well, what we have come up with is that it only occurs when there is a heavy snow, and when we do not get up there and get the snow cleaned off. There is a condition, the repair of which will be extremely costly.

Senator **Reid**. So we better get somebody up there when it snows.

Mr. **White**. And that is what we are doing. Now, for example, this year there was not any snow so we did not have a problem. The other thing that happens is it is only a minor amount of water that enters, and there were some draperies against the wall that would become wet and then have to be replaced.

Those draperies were moved away from the wall a couple of inches so that if any moisture comes in, since it is not running water, it will not hurt the draperies, which then dry off in case we cannot get people up there during a bad snow.

STEAM TUNNEL REPLACEMENT

Senator **Reid**. Tell me about this steam tunnel under North Carolina Avenue? You are requesting $5 million to replace it.

Mr. **White**. Yes.

Senator **Reid**. First of all, what is a steam tunnel?

Mr. **White**. All of the buildings on the Hill are heated and cooled by steam and chilled water coming through tunnels. There are 3½ miles of tunnels coming from the Power Plant, and this is one section of those 3½ miles of tunnels. It is a section that apparently was not well-installed back in the late 1950's, as I recall, and so it has been there now for over 30 or 35 years. The street is also a problem, and the street has begun to settle or has already settled really. I think it is closed off to truck traffic altogether because of the difficulties of the street, and the surface of the street sort of undulates.

Senator **REID**. And that is because of this tunnel?

Mr. **WHITE**. No; the tunnel is a part of the problem, but the street itself is in bad condition. The District of Columbia is well aware of it and the plan to repair it has been going on now for several years.

Senator **REID**. You are going to try to do it at the same time they fix the street?

Mr. **WHITE**. Exactly. Otherwise we would have to open the street again.

Senator **REID**. So I think that is the main concern that we had is try to do it as cheaply as possible.

Mr. **WHITE**. That is right.

Senator **REID**. And at the same time as D.C. government. There is nothing dangerous about leaving it wait for awhile?

Mr. **WHITE**. No; we have it shored up and we are all right in the meantime, but we are, in effect, living on borrowed time with it.

HART BUILDING MODULAR FURNITURE

Senator **REID**. When we approved your request for modular furniture for two additional suites in the Hart Building, we asked you to reprogram funds and complete all Hart suites by July 31 of this year. You indicated in your response you cannot complete acquisition and installation in time to have all suites installed with modular by that date, and it will take you until August to install the furniture you currently have in inventory for five of the suites. Is that right?

Mr. **WHITE**. It is later than August, Larry, is it not? Larry Stoffel, as you know, is the building superintendent for the Senate Office Buildings. The process involves, of course, purchase, and I am not sure we have—what do we have in stock now, Larry?

Mr. **STOFFEL**. Presently there are five suites in stock, but they are scheduled for installation for other places now, for other Senators. So we have to go out if you are going to procure an additional 10, Mr. Chairman.

Senator **REID**. Would it take 10 to complete the building?

Mr. **WHITE**. Ten to complete. We have 40, and those that we have now will be completed in August, will they not?

Mr. **STOFFEL**. They will. The last one is scheduled for installation during the August recess.

DELIVERY SCHEDULE

Mr. **WHITE**. But the additional 10 will take some little time. There are 70 days or so of delivery time after award of a contract, and we have to take bids. We have two companies that supply these so we are into next year really once we reprogram the funds. We are ready to go out in the market for bids the minute those funds are reprogrammed for us to do that for the remaining 10.

Senator **Reid**. What is holding up the reprogramming? It just came over. OK. Good.

Mr. **White**. So we are ready as soon as you tell us to go.

Senator **Reid**. But it is 70 days approximately for delivery after they are ordered.

Mr. **White**. And there is probably 30 days worth of bidding time, 3 to 4 weeks of bidding time that we have to allow, and then 70 days of delivery time, and then we begin the installation process. During that period, we will be going to the Senators' offices where the furniture will be installed and asking them how they want their office layouts which we will design so that when the furniture arrives, it can be installed in accordance with a plan.

ADDITIONAL COMMITTEE QUESTIONS

Senator **Reid**. Fine. I am interested in that because I think I am one of the 10. I do not think I am one of the five. We have a number of additional questions for you, Mr. White. We appreciate your patience here today. This has been a long hearing. You have been here 1 hour and 50 minutes. We appreciate that very much. But we do have additional questions that we will submit to you. There are some things that we have already asked you to complete, and we would ask you to do that as soon as you can so that we can complete the report to Senator Byrd.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

Question: What is the current performance of FTS for the Legislative Branch?

Response: The current performance of FTS is unacceptable. The quality of service is low and costs are high as compared to the current market for long distance telecommunications services.

Question: My understanding is that your procurement for the Legislative Branch is for voice services only. Are you familiar with FTS 2000 voice services?

Response: Yes. The Architect of the Capitol has reviewed the FTS 2000 services offering and participates as an invited member of the Interagency Management Council (representing the Legislative Branch). The Architect of the Capitol meets regularly with the telecommunications managers from the Executive Branch Agencies to review the progress and performance of the FTS 2000 network contracts.

Question: Are there any capabilities that you feel FTS 2000 does not provide that are essential for the Legislative Branch voice network?

Response: Yes. The FTS 2000 system as currently configured does not provide adequate security for the Legislative Branch and does not provide for increased functionality of existing systems while migrating to more enhanced telecommunications services such as video conferencing. Based on our current understanding of FTS 2000, the management and control mechanisms such as trouble reporting, network control, etc. are not adequate to meet the needs of the Legislative Branch.

Question: Given the high volume of traffic and competitive nature of the FTS 2000 procurement, why do you think this procurement will deliver better price/performance?

Response: The FTS 2000 System will take several years to implement. Additionally, it will be implemented in stages and, therefore, will not uniformly provide equal access and functionality to all congressional and Legislative Branch support agency offices. Until such time as the FTS 2000 network can be fully evaluated, no long term commitment should be made for long distance telecommunications services. The Common Services Procurement (CSP) is a short term (2-3 yr.) procurement designed to replace the current FTS system as well as enhance existing long distance telecommunications services. It is anticipated that the CSP will provide a substantially lower cost and better functional alternative to the current FTS system as well as the FTS 2000 presently proposed system.

Question: Given that there is FTS service today in virtually all of the, Legislative Branch locations wouldn't it be cost effective to migrate to FTS 2000?

Response: The Architect of the Capitol, representing the Congress and the Legislative Branch agencies, has reserved the right to utilize FTS 2000 in the future and will encourage migration to FTS 2000 by those appropriate offices which would be best served both functionally and economically by FTS 2000. However, at this time it is predicted that the CSP will be available to the Legislative Branch at substantially lower cost than FTS 2000.

Furniture and Furnishings

Question: You are requesting additional funds ($1,000,000) for furniture and furnishings for the Hart Building. Please update for the record the table on page 307 of last year's hearings.

Response: The following table is supplied for the record.

Hart Senate Office Building
Furniture and Furnishings

Fiscal Year	Request	Appropriated	Public Law
1983 Suppl.	$8,000,000	$ 460,000	98-63
1983 Amend.	9,500,000	.....	
1984	.....	250,000	98-51
1984 Suppl.	1,500,000	1,500,000	98-396
1986	1,500,000	.....	
1987	1,500,000	1,500,000	99-591
1988	1,500,000	1,200,000	100-202
1989	1,500,000	1,550,000 [1]	100-458
Total Appropriated..........		$6,460,000	
1990 Request........................		1,500,000 [2]	
Total.......................		$7,960,000	

---

[1] A total of $500,000 was appropriated in P.L. 100-458. An additional $1,050,000 was reprogrammed to complete all fifty Senators' suites.

[2] The amount will replenish the $1,050,000 reprogramming and the balance of $450,000 will be used to begin furnishing Committee and public spaces.

I have requested $1,500,000 in 1990. These funds will be used to replenish the $1,050,000 reprogrammed to complete the Senators' suites and the balance of $450,000 will be used to begin furnishing committee and public spaces in the Hart Building. It has been my plan to ask for funds in the two following fiscal years to complete all remaining spaces in fiscal year 1992, but that, of course, is subject to advisement from the Committee on Rules and Administration.

The following table summarizes the costs for this program:

Cost for Senators' Suites	Amount	Number
Appropriated through FY 1989	$6,460,000	50
Cost for Committee & Other Spaces (Hart Building)		
FY 1990 request	$ 450,000	
FY 1991 and beyond (projected)	2,400,000	
Total	$9,310,000	

Question: In addition to the Hart furniture monies you are requesting funds for "specialty" furniture ($1,000,000) and modular furniture and furnishings in the Russell and Dirksen Buildings ($1,000,000). For what purpose are these funds intended? What is the difference between specialty and modular furniture?

Response: The $1,000,000 request for "specialty furniture" provides for the procurement of items relating, in general, to the use of computers and other office automation equipment throughout the Senate office buildings. Included are "ergonomic chairs", lateral files, computer stands, L-shaped computer desks, printer stands and miscellaneous items such as drawers, carrels, special storage units, etc.

Modular furniture, also referred to as "systems" furniture, is an assembly of component units put together in various configurations to form workstations that are more space efficient than traditional furniture. Components include interconnecting acoustical panels, work surfaces, chairs, filing and storage units, task lighting, etc. Because of the flexibility achieved by the ability to substitute components, the introduction of special units designed to accommodate new office automation equipment is relatively simple, as evidenced in the Hart Senate Office Building where "ergonomic" chairs, lateral files and some computer desks are already in use.

The $1,000,000 requested for modular furniture and furnishings in the Russell and Dirksen Buildings is intended to respond to the growing number of requests for furniture that offers the flexibility of that used in the Hart Building.

Computer Systems Installations

Question: You are requesting additional funding ($2,000,000) for the installation of additional computer systems and power conditioners in the Senate Office Buildings. Why are these funds needed? Will this amount complete the installation of computers in the Senate?

Response: The program of installation of office automation in the Senate Office Buildings, which was begun in 1984, has resulted in a continuous base level of work since that time. The role of the Office of the Superintendent, Senate Office Buildings in this program has been to provide the proper electrical service; to install cable trays and conduit to facilitate cable installation;

to provide air conditioning or modify existing systems to provide the necessary environmental conditions for proper equipment operation; and to provide the necessary furniture and furnishings for staff to enable effective use of the office automation equipment.

This program has evolved into a continuous program of change and upgrading the office automation systems which has resulted in a near continuous demand for support services from the Superintendent. The initial program of installation required up to 22 temporary electricians. The current ongoing program has required up to 9 temporary electricians. In addition, the relocation of CPU's and other major central equipment has resulted in the need to perform extensive air conditioning modifications to systems requiring the employment of other additional craft personnel. Current policy permits relocation of equipment within a suite at any time, as opposed to the previous policy which permitted relocation only when new equipment was acquired or during suite moves.

Current day to day requirements that have resulted from the installation of office automation equipment includes the separation of circuits for the installation of laser printers and PC's, the providing of cabling routes and access to underfloor systems by drilling to facilitate terminal installations or relocations, upgrading CPU's and the electrical service, installing LAN systems, providing for possible Ethernet systems, modifying air conditioning systems, etc.

This item also allows for the installation of power conditioners as needed and/or required.

The "installation of computers" in the Senate Office Buildings will technically never be completed. The program of office automation begun in 1984 has created a requirement for support services that will always be needed to allow for proper operation of the installed systems.

Senate Moves

Question: After the November 1988 election a total of eleven newly elected Senators were placed in temporary offices pending final suite selection. Subsequently, all Senators were provided the opportunity to choose new suite locations and the process of moving began. How long did it take to complete the moves?

Response: At the direction of the Committee on Rules and Administration great effort was expended to accelerate the moves and minimize the overall length of the period of disruption. Whereas previously individual moves would generally be scheduled sequentially, one after another, the schedule this year was arranged to perform two parallel sequences of moves throughout the move period. This allowed for completion of the moves almost twice as fast as has previously been done. This has been accomplished by augmenting crews with available temporary craft personnel through the reprogramming of funding which was requested early in Fiscal Year 1989. The actual moves to "permanent" offices began on January 4, 1989 and were completed on April 19, 1989.

Question: How has the emphasis on moves affected the operations and maintenance of the Senate Office Buildings?

Response: Certainly, the acceleration of moves as a priority has pushed other routine and cosmetic maintenance to a lower priority even though great efforts have been expended in the recent years to upgrade the levels of basic maintenance in the Senate Office Buildings. The moves involve every manner of craft work and the scale of the moves requires significant time and manpower. It is also apparent though that the desire to get all Senators moved in and settled is a high priority to the basic operations of the Senate. With the moves now completed emphasis is now being placed on all aspects of maintenance including cosmetic, preventive maintenance, etc.

Capitol Grounds - Equipment Replacement Schedule

Question: You mentioned last year that you were developing an equipment replacement schedule. Please provide this schedule.

Response: The following table is supplied for the record.

Capitol Grounds
Equipment Investment/Replacement Plan/Budget

Equipment/Type	Description	Date Purchased	Condition	Estimated Purchase Replacement Costs	1989	1990	1991	1992	1993	1994	1995	1996	1997
Chev.	1/4 ton pick-up	1987	Good	$ 10,000									X
GMC	1/2 ton pick-up	1987	Good	17,000									X
Chev.	1/2 ton pick-up	1985	Good	15,000							X		
Chev.	1/2 ton pick-up	1983	Good	12,000					X				
Dodge	1/2 ton pick-up	1979	Junk	9,000		X*							
GMC	1/2 ton pick-up	1978	Junk	9,000		X*							
GMC	1/2 ton pick-up	1978	Junk	9,000		X*							
Chev.	1/2 ton pick-up	1976	Junk	9,500		X							
Chev.	1/2 ton pick-up	1976	Junk	9,000		X							
Chev.	1/2 ton pick-up	1975	Junk	9,000		X							
Ford	Compactor	1986	Good	40,000								X	
Chev.	3/4 ton pick-up	1985	Good	18,000							X		
Chev.	El Camino	1983	Good	15,000					X				
Ply.	Van	1976	Junk	18,000		X*							
Chev	Van	1985	Good	14,000							X		
Chev.	Van	1984	Good	13,000						X			
GMC	Van	1978	Poor	12,000			X						
GMC	Linelift Truck	1974	Junk	60,000	X								
GMC	1/2 ton pick-up	1987	Good	17,000									X
Ford	Stake body truck	1985	Good	40,000							X		
Inter.	Stake body truck with sprayer	1972	Poor	30,000				X					
Inter.	Dump Truck	1978	Junk	26,000	X								
Ford	Dump Truck	1977	Junk	28,000		X							
Inter.	Truck Sander	1976	Fair	25,000				X					
Ford	Sweeper	1983	Good	36,000							X		
FMCA	Sweeper	1983	Poor	20,000			X						
Inter.	Tractor	1978	Fair	15,000				X					
Toro	Tractor (2 ea)	1974	Junk	60,000 (2)	X								
Inter.	140 Tractor	1972	Poor	8,000			X						
Jacobsen-Rogers	Sweeper	1971	Poor	5,000			X						
Toro	Groundmaster	1972	Junk	20,000	X								
Case	Tractor F/E Loader	1986	Good	65,000								X	
John Deere	Backhoe	1971	Junk	30,000		X							
(2) 4-Wheel Drive Pick-ups, Plows and Sanders		1989	New	36,000 (2)	X								

---

* Seek replacement from surplus government property.

Inaugural Activities

Question: Last year we provided $775,000 for the construction of the stands and other items necessary for the inaugural ceremonies. How much of those funds were for work within your jurisdiction?

Response: An amount of $580,000 was made available for work within the jurisdiction of the Architect of the Capitol.

Question: Give us an outline of what your office was responsible for.

Response: The following table is supplied for the record.

	Allotment
Construction and Removal of Stands	$ 330,000
Sound Reinforcement Systems	97,000
Chair Rental	65,000
Security and Crowd Control	55,000
Bunting and Decorations	13,000
Miscellaneous and Administrative	8,000
Contingency	12,000
Total	$ 580,000

Question: What was the budget for each item and how much will the actual cost be?

Response: The following table is supplied for the record.

	Total Obligations as of 2/15/89
Construction and Removal of Stands	$ 325,383
Sound Reinforcement Systems	97,000
Chair Rental	52,650
Security and Crowd Control	58,468
Bunting and Decorations	14,308
Miscellaneous and Administrative	9,201
Total	$ 557,010 [1]

---

[1] Additional costs will be incurred to restore the damaged lawn areas on the West Front grounds, and for other incidental work.

Library of Congress Renovation

Question: Supply the original and current time and cost schedules for the Library of Congress renovation project. Also, update the milestone schedule with original and current dates.

Response: The following tables are supplied for the record.

SUMMARY OF PROJECT FUNDING
(As of December 31, 1988)

	Original Allotment	Current Allotment	Obligations	Unobligated Balance
Administrative.......	$ 3,364,000	$ 5,364,000	$ 3,086,282	$ 2,277,718
Consulting...........	3,800,000	2,800,000	2,336,926	463,074
Milestone I..........	2,140,359	1,995,641	1,994,058	1,583
Miscellaneous........	55,773	839,756	375,652	464,104
AP/MPFP/E Phase I....	19,365,000	20,565,000	19,615,291	949,709
A/C Modernization, Phase I & II.......	6,809,000	6,809,000	6,248,538	560,462
Colonnades, Phase I & II.......	6,751,000	6,901,000	6,401,000	500,000
Specialty Paint, Phase I............	824,000	556,620	463,858	92,762
Renovate Exterior Windows, Phase I...	658,000	658,000	658,000	.....
Interior Storm Windows, John Adams Building, Phase I & II........	162,495	162,495	162,495	.....
Replicate and Rehabilitate Lighting Fixtures............	1,500,000	517,080	430,900	86,180
Balance..............	35,570,373	33,831,408	.....	33,831,408
Total............	$81,000,000	$81,000,000	$41,773,000	$39,227,000

UPDATE OF MILESTONE SCHEDULE - DECEMBER 31, 1988

	Description	Original Start	Revised Start	Original Finish	Revised Finish
I	Phase I - Interim Occupancy (including alterations to Fourth Floor - JAB)........	11/84	09/84*	06/85	11/86*
II	Phase I - Construction.......	06/85	09/86*	10/87	09/89
III	Phase II - Interim Occupancy.	10/87	09/89	06/88	06/90
IV	Phase II - Construction......	06/88	06/90	11/90	06/92

* Actual

The project's completion has been delayed as a result of the following:

1. The Phase I Interim Occupancy required more time than originally anticipated due to the need for: Identifying which Library of Congress personnel would move into the interim spaces; develop a layout with the Library of Congress personnel; develop the necessary design drawings, both architectural and engineering; obtain drawing approval by the Library of Congress; procure necessary materials; perform the work, and finally move the staff into the interim space. Due to the above, the overall proje delay was 17 months.
2. The major reason for the slippage of the Phase I finish date was the requirement to award separate contracts for the remaining Phase I work; i.e., Colonnades, Air Conditioning Modernization, Specialty Painting, Exterior Windows - Thomas Jefferson Building, Interior Windows - John Adams Building and Replication and Rehabilitation of Lighting Fixtures. This process took longer than originally anticipated, because of the need for redesign, addendums, rebids, negotiations, etc. This resulted in an additional 7-month project delay, or a cumulative project delay of 24 months.
3. The original schedule had allowed 8 months for Phase II interim occupancy. The Library of Congress requires 9 months or an additional 1-month project delay for a total cumulative project delay of 25 months.
4. The original schedule had allowed 29 months for Phase II Construction. We believe this can be completed in 24 months reducing the overall project delay to a total of 20 months.

Fire Safety

Question: Are there fire safety funds in this budget? How much and for what?

Response: The following information is supplied for the record.

Fire Safety Funds Requested in Fiscal Year 1990

Senate Office Buildings	
Install and Modify Fire Alarm Systems (New Request)....	$ 300,000
House Office Buildings	
Building Wide Smoke Detection and Voice Fire Alarm Systems, Rayburn Building (Amount in Base)..........	400,000
Total..	$ 700,000

Question: For the record, indicate the extent of fire safety devices, alarms, and detectors in the office buildings and the Capitol. Identify those that were installed as a result of Section 106 of the Legislative Appropriations Act for 1989, and the plan and schedule for completing these requirements.

Response: The following table is supplied for the record.

Fire Systems by Building
and Recent Funding

Legend:
X - Operational
I - Installation in Progress
D - Design in progress
NA- Not Applicable
* - Installed in response to Sec. 106, P.L. 100-458

Appropriation/Building	Amounts Funded In Prior Appropriations	Amount in this Bill	Fiscal Years Appropriated	Portable Fire Extinguishers Throughout	Sprinkler Throughout	Sprinkler Key Areas	Detectors Throughout	Detectors Key Areas	Class I, Standpipes 2 1/2"	Voice Alarms	Manual Alarm	Elevator Automatic Fire Service	Elevator Manual Fire Service	Smoke Control System	Halon System Key Areas	Fire Resistive Construction
Capitol Building	$ 558,000		84,85,88 & 89	X		X	I*/D	X	X	I*/D	I*/D	I/D	X		X	X
House Office Buildings																
Cannon	815,000		78,79,81,88 & 89	X		X	D	X	X	I*/D	I*/D	I/D	X			X
Longworth	2,236,100	66,707	86,87,88 & 89	X	I/D	X	I*/D		X	X*	X*	I/D	X		X	X
Rayburn	700,500	400,000	81,85,88 & 89	X		X	I/D		X	D	X	D	X		X	X
Annex No. 1	130,000		79	X		X	X		X	X	X					
Annex No. 2	2,548,000		75,78,79,80 & 81	X	X		I*/D	X	X	X	X	I/D	X	I/D	X	X
House Underground Garage				X	X				X		X	NA	NA			X
501 First Street, S.E.	64,000		85	X	X		X		NA		X	NA	NA		I/D	
Total, House Office Bldgs.	6,493,600	466,707														
Senate Office Buildings																
Russell	500,000	300,000	82 & 83	X		X	I*/D		X	I*/D	X	I*/D	X			X
Dirksen				X		X	I*/D		X	I*/D	X	I*/D	X			X
Hart				X	X		X		X	X	X	X	X	I	X	X
Immigration	220,000		84 & 88	X	X		I		X	I	I	I	X			X
400 North Capitol Street				X				X	X		X	X	X		X	X
Plaza Hotel **							X		X		X					
Senate Garage				X			D		NA							X
Total, Senate Office Bldgs.	720,000	300,000														
Capitol Power Plant	17,000		88	X				X	NA		X	NA	X	NA	X	X
Library of Congress																
Jefferson	13,438,000		82 & 84	X	I	X		I	X	I	I	I	I	I	X/I/D	X
Adams				X	I	X		I	X	I	I	I	I	I		X
Madison				X	X		X		X	X	X	X	X	X	X	X
Total, Library of Congress	13,438,000															
Botanic Garden																
Conservatory				X					NA			NA	NA	NA		
Administrative Office				X					NA	NA	NA	NA	NA	NA		
Poplar Point				X					NA	NA	NA	NA	NA	NA		
Total	$ 21,226,600	$ 766,707														

** Building scheduled for demolition.

Limitation on Travel Expenses

Question: You are requesting that the limitation on travel remain at $20,000. Detail your actual travel expenditures for 1988 and 1989 to date.

Response: The following table is supplied for the record.

Office of the Architect of the Capitol

Travel
(From October 1. 1987 thru September 30, 1988)

Appropriation	Limitation	Expended
Capitol Buildings, 1988.......	$	$ 7,404.51
Capitol Buildings, No Year....		1,330.31
Capitol Grounds, 1988.........		40.02
West Central Front, No Year...		364.00
Senate Office Buildings, 1988.		14.93
House Office Buildings, 1988..		49.42
Structural and Mechanical Care, Library Buildings and Grounds, 1988...............		4.40
Structural and Mechanical Care, Library Buildings and Grounds, No Year		17.22
	$10,000.00	$ 9,224.81

Actual travel expenditures for the first quarter of fiscal year 1989 total $1,377.11 for appropriations under the Architect of the Capitol.

Contingent Expenses

Question: The request for contingent expenses is $100,000. These are carryover funds. How much did you carry over into FY 1989? Provide a table for the record, detailing the expenditures and carryover data.

Response: The following table is supplied for the record.

	Obligations	Funds Allotted but not yet Obligated
Contingent Expenses 1988 Annual Funds		
Striping Study, House Parking Facility.	$ 2,000	.....
Pedestal for Mondale Bust.............	4,067	.....
Carved Name, Pedestal for Martin Luther King, Jr., Bust....................	1,252	$ 5
Pedestal for Henry Jackson Bust........	9,631	.....
Permanent Sound System, Room H-140, U.S. Capitol........................	11,008	.....
Parking Study - Senate................	4,000	.....
Install Modesty Screen, Senate Chamber.	9,345	3,155
Subtotal....................	$ 41,303	$ 3,160
Contingent Expenses "No Year" Funds		
Radio-TV Terminal Facility, Capitol Building...........................	$ 898	.....
Alterations to H-206, Capitol Building.	1,222	5,743
U.S. Capitol Building Cornerstone Location..........................	(2,100) [1]	2,100
Real Estate Economics Consultation.....	10,000	.....
Subtotal....................	$ 10,020	$ 7,843
Total..........................	$ 51,323	$ 11,003

---

[1] Represents deobligation of prior year obligation.

As of September 30, 1988, $54,451 in prior year "No Year" funds remained available for obligation during fiscal year 1989. Of these funds remaining available for obligation, a total of $7,843 has been allotted for specific projects but has not yet been obligated. This leaves a balance of only $46,608 for new projects as of September 30, 1988. This amount has been augmented by the $100,000 allowed for fiscal year 1989. Thus there is a total of approximately $146,608 available for unforeseen expenses and surveys and studies in fiscal year 1989.

Data Processing

Question: You are requesting 2 new positions for your data processing office to develop a work order system and preventive maintenance software program for equipment as well as work on your new inventory program. Have you consulted with other agencies to see if programs might already exist that meet your needs in this area? Specifically, have you checked with the Defense Logistics Agency? Have you considered contracting out some of this work?

Response: The 2 new positions are requested for many reasons some of which are outlined on pages 2.3 and 2.4 "Estimates 1990 Salaries, Architect of the Capitol". In response to the questions: Yes, we have consulted with other agencies through our network of user groups connected with our Unisys 1100 mainframe. We have contacted HIS, Senate Computer Center and the Library of Congress on an informal basis. Through our user group we have contacted HUD, Census, Social Security Administration, Defense Mapping, CIA, IRS, Treasury, NASA/Goddard, NARDAC-Washington, National Bureau of Standards, and many other participating agencies plus commercial computer sites. We have not specifically contacted the Defense Logistics Agency; but will do so to determine if any systems that they use would be adaptable and beneficial for our needs. We have always sought systems and cooperation from other government agencies and have received invaluable assistance and cooperation.

We have considered contracting out the work. In the case of the work order system, we received proposals; but since a system had been developed by the Electronic Engineering Division it was decided to stay with the in-house system and adapt it to more general use. In the case of the inventory system, it was too expensive in the beginning to contract for a package called Unis or contracting-out customized software, thus we developed the system in-house. We have received proposals and are considering contracting improvements to the inventory system, at this time, but feel that even with contractors assistance, we must increase our in-house staff.

Question: How many positions do you currently have in your data processing office? Please discuss how the current positions are used.

Response: There are 10 permanent positions in the Data Processing Division. The division is divided into three branches:

Applications: There are 4 persons including the head of the division (2 computer specialists and 2 programmers) who work on applications.

Systems: There are 2 computer specialists who work on the operating systems software.

Operations: There are 4 persons (2 computer assistants and 2 computer operators) who operate the computer (3 on the 1st shift and 1 on the 2nd shift).

Question: During fiscal year 1988, you developed a strategic plan for ADP. Please discuss what this plan calls for. What do you currently have as far as ADP equipment and what do you use it for? Please be specific.

Response: Yes, the document is entitled "Architect of the Capitol; Strategic, Operational, Tactical: Information Systems Plan" dated January 1988. This Management Information System (MIS) plan was put together to provide a common approach for the coordinated development of consistent and comprehensive systems.

We have over 1,500 items of ADP equipment in the Data Processing Division. In summary we have a centralized data processing division that utilizes a medium size mainframe in support of operating and administrative AOC personnel providing services required to support the AOC's responsibilities for the Legislative Branch of the United States Government. On a yearly basis we print over 200,000,000 lines, process over 1,260,000 on-line high priority transactions, mount 4,810 tapes, run 13,650 on-line demand terminal sessions, assign 4,950 files 1,045,560 times with 3,421,530 accesses, run 1,920 batch jobs using 31,440 programs 272,160 times and effectively utilize all other hardware and systems software in support of applications. The computer site has operators on duty from 6:30 a.m. to 11:30 p.m. five days per week with operation on Saturdays in support of Payroll or Inventory as needed. The 2nd shift is used for backup of files and large print runs that would otherwise slow down or interrupt the on-line operations of the prime shift. The system is up 24 hours per day seven days per week. There are runs that execute in the unattended mode outside of attended time and the system is always available to on-line users. The Data Processing staff is always on call in case of problems.

There are 16 application systems areas that provide the foundation for all administrative systems. Payroll, Accounting, Inventory and Personnel are the 4 major systems that are the core of all the others. Briefly:

Payroll: consists of 9 groups and 310 pay periods per year. This system like the other systems operates primarily on-line with the Payroll Branch of the Accounting Division controlling the immediate update of employee records and the actual running of the batch calculations for check and EFT tapes to Treasury with in-house balance reports and employee statements. There are 40 principal programs for each of the 310 pay periods with more than 11,200 lines of code for a normal payroll not including special quarterly, yearly etc. For Calendar Year 1988 the system processed 3,319 employee records with the corresponding 70,465 history and 21,554 support records.

Accounting: This system is also maintained centrally. All transactions for the annual and no-year appropriations, totalling over $100,000,000, are processed through this system. Currently the Accounting Master file contains 300,000 records at the rate of approximately 80,000 transactions per Fiscal Year. Accounting files are updated daily throughout the day. All data is edited and verified before master files are updated. After accounts have been balanced a monthly master file is produced and saved on magnetic tape for 5 years. Management personnel can access the files and retrieve financial information on their accounts whenever the information is desired. The system contains 56 major computer programs with 82 files and 41 reports to process the basic daily and monthly accounting requirements.

Inventory: This system like all other systems operates primarily on-line using data base software and in-house computer programs. Currently there are 155 sites (e.g. storerooms, shops, etc), 66,293 parts (i.e. names of items), 102,191 transaction records (purged annually) and 13,972 adjustment records. Reports are produced primarily on the 2nd shift.

Personnel: The AOC Personnel system provides the centralized information on all employees. The system is used for both personnel and position control. On-line it provides such transactions as appointments, promotions, service computation dates, within grade increases, retirement benefits calculations, vacancies, budget information, photo-ids, training and produces ad-hoc reports for OPM etc. The data base itself is organized with an Employee master area containing 5,144 employee records, a Position master area containing 2,563 records plus 20 other areas in support of the overall system. Complete histories of all transactions are maintained by employee (33,071 records) and position (10,803 records). Other areas contain such items as wage tables, remarks, service computation etc. Information that is maintained for each employee includes items such as Social Security number, date of birth, pay authority, position, salary, health plan etc. Information for each position includes date established, date filled, organization, description etc.

Question: How much money did you spend on Computer Services in fiscal year 1988 and fiscal year 1989 and what was it spent on?

Response: The following tables were supplied for the record.

Fiscal Year 1988

CAPITOL BUILDINGS,
ARCHITECT OF THE CAPITOL, 1988

UNISYS - Lease/Maintenance	$905,377.25
UNISYS - Supplies	21,052.05
UNISYS - Software Subscription Service	5,950.00
UNISYS - Software Upgrade	980.00
Training	100.00
IBM - Flag Office: Purchase/Maintenance	3,836.00
IBM - Supplies	570.00
Decision Data - Purchasing Branch: Lease/Maintenance	28,260.00
Intergraph Disk Storage Upgrade	30,220.00
Total, Fiscal Year 1988	$996,345.30

Fiscal Year 1989

CAPITOL BUILDINGS,
ARCHITECT OF THE CAPITOL, 1989

UNISYS - Lease/Maintenance	$1,042,703.75
UNISYS - Supplies	10,538.21
UNISYS - Software Subscription Service	$6,578.00
Training	115.00
IBM - Flag Office: Maintenance	3,278.00
Decision Data - Purchasing Branch: Lease/Maintenance	28,480.00
Compaq - Purchase (Engineering Division)	16,536.00
Total, Fiscal Year 1989	$1,108,268.96

Payroll/Personnel System

Question: Last year the Committee directed GAO to explore with the Architect of the Capitol and the Library of Congress the possibility of utilizing the National Finance Center and other potential host agencies for personnel and payroll processing. What conclusions have you reached at this point about using NFC or some other agency for this work?

Response: As you are aware, language was included in House Report 100-621 accompanying the Legislative Branch Appropriations Bill, 1989, and concurred with in the related Senate Report, 100-382, directing that the General Accounting Office act as the lead agency within the legislative branch support agencies to determine if the system support needs of the Architect of the Capitol and Library of

Congress could be satisfactorily interchanged and satisfied by a host agency.

The GAO report was released to the Chairmen, Committee on Appropriations, United States House of Representatives and United States Senate, on May 23, 1989, and their efforts have resulted in the recommendation that we look to the Department of Agriculture's National Finance Center (NFC) as the possible provider of our payroll and personnel data systems needs.

We are in agreement with GAO that if we are to contract elsewhere for our payroll and personnel needs we should do so with NFC. We are presently in the process of arranging with NFC for a visit to their New Orleans facility to discuss in detail the services that might be provided to this Office and the associated costs thereto. This information will assist us in making a decision on a recommendation to Congress.

Question: You reported to GAO that your average annual payroll and personnel cost per employee is $205 and $123 respectively--resulting in a total annual cost of $818,000. Conversely, the National Finance Center's average annual charge for both payroll and personnel functions is $103 per employee-- or $215,000 for your 2,088 employees. What steps have you taken to compare the National Finance Center's functions and conversion costs with Touche Ross' proposed functions and $750,000 redesign cost?

Response: As stated in the answer to Question 19, we are in the process of arranging a visit to the NFC, and based on the information obtained during this visit the NFC's functions and conversion costs will be compared with Touche Ross' proposed function and redesign costs.

Telecommunications

Question: Please explain why you need $72,000 in additional funding because of the conversion of the House Telephone System to the in-house AT&T System 85 switch.

Response: Due to the recent conversion of the House Telephone System to the in-house AT&T System 85 switch, each office within the House will be separately charged for local telephone service as well as long distance calls. Consequently, a new line account must be established for this purpose. The annual need for this allotment is estimated to be $72,000, based on a traffic study of existing local telephone service charges. We understand that the House Clerk's budget for fiscal year 1990 has been reduced by $72,000, offsetting the Architect's increase.

Question: You are requesting another $500,000 in telecommunications funding for continuation of the planning effort, possible implementation of a Common Services Procurement for wide area (long distance) service as well as funding to design and establish a back-up swithch for the Legislative Branch. Please give us an update on the status of this project. Are all of the Legislative Agencies on a switch now?

Response: Currently, the House is served by a System 85 switch system and the Senate is served by a DMS 100 switch system. These two switches are tied together so that 5-digit dialing is maintained. The Library of Congress has also installed a System 85 switch tied directly to the House switch. The Government Printing Office is currently reviewing the possibility of installing a new remote switch to be connected either to the Senate or to the House system, whichever proves to be most advantageous for their purpose. These various switches function as an integrated network for the Legislative Branch agencies.

The following table is supplied for the record.

Summary of Telecommunications Funding and Activity Status

Activity	Schedule	Funding
To provide $100,000 for the rental of additional warehouse space at 1430 South Capitol Street, S.E. Reprogrammed from Capitol Buildings, Installation of Additional Electronic Security Equipment, Capitol Complex, November 19, 1986.	Currently occupying a total of 62,697 Sq. Ft.	$100,000
To provide for outside assistance and administrative support to carry out the provisions of Sec. 305 of the Legislative Branch Appropriations Act, 1987. Reprogrammed from Capitol Buildings, Installation of Additional Electronic Security Equipment, Capitol Complex, November 19, 1986.	Contract with Network Strategies, Inc. Present contract fee $375,000. Report forwarded to House Administration and Senate Rules December 18, 1987. Completed.	375,000
For renovations in the House Office Buildings to provide space for the new telephone equipment. Reprogrammed from House Office Buildings, Catering Kitchen, House Restaurant System. Approved December 1, 1986.	Complete....................	427,000
For modification to the basement and ground floor areas of the Dirksen Building to accommodate telephone switch and battery equipment. Reprogrammed from Senate Office Buildings, Replacement of Six Senate Computer Room Air Conditioning Units, 400 North Capitol Street. Approved July 17, 1986.	Complete..................	219,000

Activity	Schedule	Funding
For telecommunications traffic analysis to collect and analyze all legislative branch long distance telecommunications needs for use in a Request for Proposals for a Common Services Procurement of wide area (long distance) telecommunications services. Approved 8/25/88.	Complete....................	$ 50,000
For the development of a draft Request for Proposals for a Common Services Procurement of wide area (long distance) telecommunications services. Approved by Senate 9/30/88. Approved by House 10/13/88.	Complete....................	50,000
Fiscal Year 1989 appropriation for telecommunications for the Capitol Complex.	Fiscal year 1989 appropriation	500,000
For the evaluation of agency responses to the draft Request for Proposals for a Common Services Procurement of wide area (long distance) telecommunications services for the Legislative Branch, development of the final Common Services Procurement Request for Proposals, and eventual evaluation of vendor proposals. Approved by Senate 9/30/88. Approved by House 10/13/88.	Ongoing - completion of initial work scheduled for January 31, 1989.	(80,000) FY89
For the evaluation and preliminary design of a telecommunications architecture for the Legislative Branch private integrated digital network (PIDN). Contract pending. Approved by Senate 9/30/88. Approved by House 10/13/88.	Start February 1989...........	(100,000) FY89
Unallotted Contingency..		(320,000) FY89
For the continuation of the planning effort along with possible implementation of a CSP for wide area (long distance) telecommunications services for the House, Senate and Legislative Branch agencies as well as the engineering design and cost estimate for a Legislative Branch backup switch, associated fiber optic interconnections and peripherals. In addition, there may be staffing required to supplement the support being given this project by existing staff.		

Project Cost Estimating

Question: In connection with the work done on the West Central Front of the Capitol, you mentioned that the cost estimate you developed for this project was a "worst case" estimate. In developing cost estimates for the various projects you undertake, what do you base the cost estimates on? Over the last several years, (on average) how have our estimated project costs compared to actual project costs? For the record, please provide a listing of all major projects ($500,000 or greater) for which work has been performed over the last 3 years. Provide a brief description of the project, the original estimate as included in your budget request, the original time schedule and current schedule for completion of the project, current cost estimates for completing the project, the obligation to date, and the actual project cost along with a brief explanation of the variance between the original estimates and the latest estimates of project costs by project phase or milestone, if appropriate.

Response: The following information is supplied for the record.

Senate Office Buildings Projects

The development of all larger project cost estimates is generally performed by the Design Division of the Architect of the Capitol. However, in many cases cost estimates for maintenance and alteration projects in the Senate Office Buildings are prepared by the Superintendent of the Senate Office Buildings and then verified by the Design Division based upon cost estimating standards used in private industry. Development of this type of estimate normally involves consideration of how much can be accomplished by regular staff versus the hiring of additional journeymen craft personnel, the prevailing workload (especially during recess periods), funding availability, stated scope versus what the anticipated final scope will be, completion deadline, priority, etc.

The projects attended to by the Senate Superintendent are typically capital construction projects less than $500,000 in overall cost, or if the cost exceeds $500,000 it principally involves the procurement of furniture, such as modular, equipment, etc., and involves installation or renovation work around the legislative/recess or individual office schedules. Timetables are normally established to serve the needs of the individual offices but in consideration of the time needed to perform the work, manpower available, financial constraints, furniture or equipment availability, etc.

The procurement and installation of modular furniture for ten suites in the Hart Building is a process that takes approximately one year and a total cost of $1,500,000. Major constraints in this program include the procurement of the furniture components and installation in consideration of individual office schedules. Each installation phase to install a total of 50 suites of modular furniture in Senators' offices is accomplished with the same general considerations. Between FY 1984 and FY 1987 annual funds were provided to annually install $1,500,000 of modular furniture with the exception of one year. In addition, a total of $1,200,000 was provided in FY 1988. A total of $500,000 was provided in FY 1989 with an anticipated reprogramming of an additional $1,050,000 in FY 1989 to complete this program.

The renovation of the Armed Services Committee in SR-228 in the Russell Building which involved major renovation work as well as the installation of modular furniture was accomplished over a period of one year beginning in November, 1987 although plans and specifications were prepared prior to that with several major procurements totaling $327,000 via reprogramming from FY 1987 annual savings. An additional $331,000 was made available in FY 1988 to perform additional related work. This was a project that was phased in coordination with the Committee's requirements to allow its offices to continue to operate. It began in the fall of 1987 and was largely completed by the fall of 1988.

The renovation of the Dirksen Kitchen is being accomplished on a phased basis that allows the kitchen to function almost normally through most of the project with only a minimum shut down period. The latest stage of work performed was Stage B at a total estimated cost of $530,342 and with a final total of $519,562 obligated in labor, equipment and materials. This work was planned and scheduled around the Senate Restaurant's operating requirements. Preliminary work on Stage B began in the early fall of 1986 and was completed in March 1987. Stage B is only one phase of a continuing program of renovation that allows the kitchen facilities to be modernized while at the same time remains in operation to serve the Senate.

Major Projects

A few large capital projects have been designed and estimated by professional architects and engineers retained as consultants. These associate architect/engineers perform a variety of tasks that in-house forces cannot accomplish on a timely basis, or do not have the capability to perform because of the nature of the scope or magnitude of work. These projects include the following:

Restoration of the West Central Front

The project included: Removal of the existing paint; structural reinforcing; replacement of deteriorated stone; application of consolidator and paint; and installation of birdproofing.

Original Estimate	$49,000,000
Obligations to Date	23,986,355
Expended to Date	23,752,357
Original Scheduled Completion	November 1988
Actual Completion	September 1987

The variance between the original estimate and the actual costs is primarily due to the fact that the original estimate included a large contingency in an effort to cover unanticipated conditions. Prior to bidding the main contract, several items were accomplished which directly reduced the final costs. The major item was the removal of the paint which allowed for a thorough analysis of the condition of the existing stone and proper modification of the bidding documents. Also, test installations of the structural reinforcing system and methods of stone repair were performed to verify the proposed methods and to make appropriate adjustments. In addition, there were few unforeseen conditions which resulted in changes to the contract.

Renovation of the Immigration Building

The project included removal of all existing interior walls, electrical systems, mechanical systems and elevators and replacement of them, so that the building could be occupied by the United States Capitol Police.

Original Estimate	$5,500,000
Obligations to Date	5,289,296
Expended to Date	4,988,423
Original Scheduled Completion	July 1988
Actual Completion	August 1988

There is some site work on the east side of the building and other miscellaneous work which is being done by in-house forces. Also, a new EPDM roof will be installed. This work can be completed within the remaining available funding.

Restoration of the Library of Congress

The project includes the Thomas Jefferson and John Adams Buildings of the Library of Congress. When the project is complete, the buildings will have been improved to be in compliance with fire and life safety standards; their operating systems will have been modernized and upgraded to include state-of-the-art technology; and the buildings will have been restored and preserved to highlight the magnificence and beauty inherent in the Thomas Jefferson Building, the architectural centerpiece of this undertaking; and to a lesser extent, the John Adams Building.

The project has been divided into four milestones. Milestone I encompassed Phase I interim occupancy activities and permanent alterations to the Fourth Floor of the John Adams Building. Milestone II includes the Phase I construction in both buildings. Milestone III is the work necessary for Phase II construction.

Milestone I	
Original Estimate	$4,637,860
Obligated to Date	4,636,278
Expended to Date	4,636,278
Original Scheduled Completion	June 1985
Actual Completion	November 1986

Milestone II	
Original Estimate	$42,972,000
Current Estimate	44,564,855
Obligated to Date	38,178,756
Expended to Date	23,772,590
Original Scheduled Completion	June 1988
Current Scheduled Completion	November 1989

The variance between the original estimate and the current estimate is from changes which needed to be issued due to unforeseen conditions, design errors/omissions and changes requested by the Library. Also, since the milestone is behind schedule, additional administrative monies have had to be spent in this period, rather than subsequent milestones.

Milestone III	
Original Estimate	$29,634,000
Current Estimate	29,077,701
Obligated to Date	8,000
Expended to Date	8,000
Original Scheduled Completion	November 1990
Current Scheduled Completion	July 1992

The variance between the original estimate and the current estimate is due to the reallocation of contingency funds throughout the overall project. The estimate for actual construction has not changed.

The above information does not address the redesigned forecourts, since the design/estimate has not been finalized and the source of funding has not been identified.

CADD System

Question: You are requesting $350,000 for further development of the CADD database and $68,000 for additional CADD Equipment. What kinds of functions can CADD perform (surveillance, monitoring, observation)? How are these functions performed now? How many average positions will CADD save and where is this reduction reflected in the Budget?

Response: The broad function of the CADD (computer-aided design and drafting) system used by the Architect of the Capitol is to aid in the design, production and management of the large number of projects relating to the physical environment on Capitol Hill. Unlike conventional architectural and engineering drawings, CADD drawings possess more than just two dimensional information. In addition to very precise dimensions, they possess intelligent attributes that allow the user to ascertain such building properties as materials, quantities, costs, areas and volumes to name but a few. However, CADD is not of itself a system that performs the security functions of surveillance, monitoring or observation. As with other architectural and engineering disciplines within the AOC, the CADD is used as a tool in the electronic engineering division to help layout security systems, update plans and design enhancements.

Pending the loading of an extensive database, functions that cannot be performed on CADD must be performed using conventional manual techniques or not at all. In some cases manual techniques are so cumbersome and time consuming as to make information extraction impractical.

There is little doubt that CADD operations contribute significantly to increased productivity. The use of CADD also increases drawing accuracy and coordination of the work of the various building trades resulting, we believe, in reductions in construction costs. It is difficult to measure such improvements quantitatively, especially since the number and complexity of projects being processed annually through the office has increased substantially over the last few years. Although no reduction in architectural/engineering production forces is specifically reflected in the budget, the absence of a request for additional personnel in these fields is an indication of the enhanced capabilities provided by CADD.

Capitol Buildings

Question: You mentioned last year that you were developing an equipment replacement schedule. Has that effort been completed? If yes, please supply the replacement schedule.

Response: The equipment replacement schedule has not been developed for this appropriation.

Question: You are requesting $2.0 million to provide funds for furniture, power wiring, additional cooling units and cable routes for the installation of PC's and their associated LAN's as well as for power conditioners. How much of this funding is for furniture? Please provide a comprehensive listing of all of the types of furniture you plan to purchase in fiscal year 1990.

Response: The initial concepts of facilitating the installation of computers in the Senate Office Buildings included furniture items. Subsequent discussions led to a decision to include such furniture items in a separate line item called "Specialty Furniture". Accordingly, this request for funding for Installation of Computer Systems does not include provisions for the purchase of furniture items although it incorrectly lists furniture. It does allow for the procurement of power conditioners; installation and modification labor for electrical, air conditioning and plumbing needs; and etc.

Specialty Furniture

Question: You are requesting $1.0 million for the purchase of specialty furniture. Please provide details on the basis of this estimate. How much funding did you spend in fiscal year 1988 on the purchase of specialty furniture? Please provide a comprehensive listing of all of the types of furniture you plan to purchase in fiscal year 1990.

Response: This procurement will include the following items:

Misc. slides, carrels, drawers, etc.	$ 10,000
L-shaped Computer Desks (200 ea)	200,000
Computer Stands (500 ea)	75,000
Lateral Files	400,000
Ergonomic Chairs (700 ea)	315,000
Total	$1,000,000

The amount spent on "specialty" furniture in 1987 was approximately $70,635 and included L-shaped computer desks and terminal tables.

The amount spent in FY 1988 was $105,704 and included ergonomic chairs and terminal stands.

The amount spent to date in FY 1989 was $99,446 and included L-shaped computer desks and lateral files. It is not anticipated that additional specialty furniture items will be procured in FY 1989.

The procurement of furniture items from Annual Furniture and Furnishings provides for the replacement of surplused items, for additional items deemed necessary because of shortages in a given category, for items required to meet special needs, etc. The actual requirements are often determined by demand in a given period. The following, therefore, provides a projection of the estimated need for FY 1990:

Estimated Furniture Requirements, FY 1990

Venetian Blinds	$ 10,000
Heaters	2,000
Lamps	15,000
Fans	2,000
Miscellaneous Chairs	60,000
Miscellaneous Tables	65,000
Glass for Desks	5,000
Hall Trees	6,000
Demountable Glass - Hart	25,000
Combination Files	40,000
Floor Mats	15,000
Miscellaneous Modular Items	40,000
Credenzas	10,000
Miscellaneous Furniture for Senators	30,000
Miscellaneous	25,000
Total	$350,000

Adams Building Storage Area

Question: Please discuss the specific work planned for the storage area of the Adams Building along with a detailed listing of the costs.

Response: The work in the Adams Building cellar area is required to accommodate the storage of Senate and House Library materials and consists of ramps between adjacent spaces, cleaning and painting of existing floors, walls and ceilings, new lighting and new air distribution systems. The cost to-date is approximately $1,000 for the minimal work accomplished in the first two spaces. The estimated additional cost to complete the project is $120,000.

JOHN ADAMS BUILDING
Senate and House Library Storage
Room C-1004, Alterations
Estimate of Cost

Phase of Work	Labor	Material
Platforms, Ramps & Railings	$10,310	$ 3,040
Concrete & Masonry	1,665	455
Concrete Coring & Cutting	Contract	19,000
Deck Paint	4,322	1,568
Painting	9,916	3,305
HVAC	6,048	3,150
Electrical	In Material	20,000
Fire Protection	9,360	5,040
Supervision	2,081	.....
FICA @ 7.5%	3,278	.....
Raw Costs	46,980	55,558
Contingency	7,047	3,553
Administrative:		
Administrative Salaries	5,695	.....
Ret., Life Ins. & FICA/Med.	854	.....
Health Benefits	313	.....
Totals	60,889	59,111

GRAND TOTAL....................$120,000

Hart Building Elevators

Question: Why is it that the overhead lights over the Hart Building elevator doors do not light up prior to the elevator car's arrival?

Response: The Hart Building elevator light controls are set up to activate the overhead lights and audible signal when the elevator reaches the designated location. The overhead signal lights are either red for down or green for up, along with an audible signal, whenever an elevator stops at a designated floor.

Dirksen Building Elevator

Question: We note that 1 or 2 of the elevators in the middle bank of elevators on the ground floor of the Dirksen Building are not in operation at least 1 or 2 days a week. Please explain why.

Response: There is no reason that the two elevators in the middle bank should experience more frequent outages for repair or maintenance than any of the others in the Dirksen Building. All of the elevators are in need of repair and refurbishment. This project is currently out-for-bids and major repair work will soon be underway.

Installation of Additional Elevators

Question: Please furnish elevator utilization data to include average waiting times, number of passengers on a daily basis and any other detailed data to support the need for installation of 2 additional elevators.

Response: Detailed utilization data will be presented as part of the report of the consultants currently studying the possibilities of adding additional elevators to the Senate Office Buildings.

Move of Poplar Point Nursery

Question: Please provide an estimate of the total costs of the move of the Poplar Point Nursery to DC Village to include a listing of all equipment and supplies that need to be procured. Please identify which of these items will be procured with the $100,000 appropriated for this purpose in FY 1989 and which items you plan to procure with the $100,000 requested for fiscal year 1990? How much of the existing equipment, buildings, supplies, and so on, at Poplar Point will be moved and reused at the new site? Also, where do you plan to store all of the supplies and materials prior to the move? Will these supplies and materials have to be moved to the new site? If yes, at what cost?

Response: The relocation of the operation now housed at the Poplar Point Facility to the new facility at D.C. Village will begin during FY 1990, with completion in FY 1991. None of the existing buildings are being relocated, but 100% of the existing supplies and over 95% of the existing equipment will be relocated as part of the contract. New equipment and materials for the D.C. Village Facility will be shipped directly to that facility and stored on site. There will be no cost of moving these items.

The new facility will require not only the purchase of new equipment and materials to become operational, but the updating of shop equipment for safety, efficiency and integration into the new buildings facilities and systems. The following list contains the projected equipment and materials list as compiled in 1987, with listing of items to be procured during FY 1989 and FY 1990.

Equipment and materials to be purchased in FY 1989 budget

	Carbon dioxide injections system (partial this year)
	Pull shading (partial this year)
	Humidification system (partial this year)

Equipment and materials to be purchased in FY 1990 budget

	Carbon dioxide injections system (partial this year)
	Pull shading (partial this year)
	Humidification system (partial this year)
3	Fertilizer injectors
3	Fertilizer storage tanks
4	Electric powered vehicles

Remaining equipment and materials to be purchased

	Pull shading (partial this year)
4	Trailers (tow behind)
1	Fork lift

12	Soil carts
	Soil mixing equipment
	Soil storage bins
	Lindig soil sterilization system
12	Soil sterilization tarps
1	Soil shredder/chopper
	Water De-Ionizer
	Palletized bench carts
	Palletized bench system inserts for trucks
	Composting bins
6	Explosion proof paint cabinets
10	Tool storage cabinets
6	Work benches
4	Explosion proof pesticide cabinets
6	First aid stations
30	Gas mask storage lockers
12	Pot storage racks
	Auto pot washer
	Hanging basket system
4	Rotary bins
3	Tool storage racks
2	Reel racks
2	Stock ladders
1	Scale
8	Storage bins
	Cabinets with countertops
	Glass floral supply doors
	Flower room shelves
	Mobile bulb carts
	Window blinds
1	Reception desk
	File cabinets
1	Computer work station
2	Desk
2	Desk chairs
18	Clocks
18	Waste cans
60	Lockers
3	Shower doors or curtains
1	10' radius welder arm
1	Pipe storage rack
1	Welding rod storage rack
1	Welding screen
1	Cylinder truck
1	Cylinder storage cabinet
1	Lumber storage rack
8	Lunch tables
48	Stackable chairs
1	Nursery tractor with attachments
	Vacuum seeder
	Plug extractor
	Flat filler
	Refrigerator
	Ice Machine
	Auto lift
	Air compressor(oil/air)
	Air compressor(dry/air)
	Cushioned matting
	Rubber hoses

Drum storage racks
Overhead 2 ton electric hoist
Paint mixer
Paint shaker
Tire changer/balancer
Front-end alignment machine
Tune-up analyzer
Paint-O-Matic coloring proportioner
Exhaust analyzer
Free standing tool boxes
Auto parts storage bins and shelves
1/2" drill press
4 ton air over hydraulic floor jack
Electric welder
Electric hacksaw
Electric pipe vise
Electric pipe threader
Sewer & drain cleaning machine
Portable drain gun
20" drill press
Bench grinder
Wood/Metal lathe
Band saw
Drill press
Sander
Planer
Joiner
Table saw
Radial arm saw

Question: What is the current schedule for relocating the Poplar Point Nursery to the new D.C. village site? When do you expect to occupy that site?

Response: On June 7, 1989, The Washington Metropolitan Area Transit Authority received bids for the construction of the new U.S. Botanic Garden facility at DC Village. These bids were within the amount budgeted for the project. It is anticipated that the construction will begin in mid-summer 1989 and that major portions of the work will be completed by the end of 1990.

Beneficial occupancy of the entire site is expected at the end of construction in December 1990. However portions of the site may be occupied before then, possibly by the end of 1989.

Equipment for Botanic Garden

Question: You are requesting funds to replace a front-end loader and 2 pick-up trucks. Are you requesting funds to purchase new or used vehicles? If new, have you looked into the possibility of purchasing used vehicles?

Response: The funds requested to replace a front-end loader and 2 pick-up trucks are to purchase new vehicles. In the past, used vehicles have been acquired. New vehicles are preferred. Used vehicles have been subjected to unknown uses and abuses and generally lack any type of maintenance records. New vehicles not only have warranty provisions, but generally have a longer life and generally less down time and maintenance cost.

Question: Please provide a listing of all major pieces of equipment in your inventory along with a description of the equipment, the age, what the equipment is used for, replacement schedule and estimated cost of replacement.

Response: The following list includes all major pieces of equipment, that is, those with a life of five or more years. The number indicated in parentheses is the approximate age or date of acquisition. Only the vehicles have been scheduled for replacement. Some of the shop equipment is scheduled for replacement as part of the equipping of the D.C. Village Facility. The majority of the remaining items are replaced as part of the Miscellaneous Equipment line in the operating budget.

The following is a listing of all major pieces of equipment now maintained by the U.S. Botanic Garden. The number in parentheses behind the item is the approximate age or date of acquisition if known.

	FY Replacement	Est. Cost
1969 Chevy Step Van	1992	$25,000.00
1977 GMC Step Van	1993	26,000.00
1984 GMC Step Van		
1985 Chevy Step Van		
1975 Ford Van	1991	18,000.00
1979 Ford Van	1992	19,000.00
1978 Chevy Pick-up		
1975 Ford Pick-up	1990	15,000.00
1977 Chevy Pick-up	1990	15,000.00
1978 Ford Pick-up	1991	16,000.00
1971 Dodge Dump Truck	1989	35,000.00
1971 Case Loader	1990	62,000.00
1984 Olsmobile Regency		

Ridgid Pipe Cutter (over 10 yrs.)
Rockwell Bench Saw (over 10 yrs.)
Wissota Grinder (over 10 yrs.)
Delco Table Drill (over 10 yrs.)
Dayton Metal Saw (over 15 yrs.)
Rockwell Jig Saw (1980)
Yates American Band Saw (over 10 yrs.)
Mid-States Electric Welder (over 10 yrs)
Rockwell Sander (over 15 yrs.)
Rockwell Planer Joiner (over 10 yrs.)
Walker Turner Table Saw (over 10 yrs.)
Rockwell Radial Arm Saw (over 10 yrs)
Air Compressor - Lovis Allis (over 10 yrs.)
Dewalt Table Saw (over 8 yrs.)
Dayton Battery Charger (over 10 yrs.)
Hamilton Drill Press (over 10 yrs.)
Garden Denver Air Compressor (over 8 yrs.)
Horizontal Hack Saw (over 10 yrs.)
7-Floor Fans (1-5 years)
2-26 gallon Gewas - Fertilizer flow proportioner (1-1988, 1-over 10 yrs.)
4-6 gallon Gewas (over 10 yrs.)
Soil Sterlizer (1985)
2-35 gal. Electric Sprayer (over 15 yrs.)

35 gal Gasoline Sprayer (over 10 yrs.)
3-50 gal. Gasoline Sprayer (5-10 yrs.)
4-Fogging Machines (over 10 yrs.)
Jacobsen Tractor #0018 (over 15 yrs.)
Gravely Walk Behind Tractor (1987)
Gravely Rotary Mower Attachment 36" (1988)
Snow Blower Attachment for Gravely (1987)
Mini Dump Insert (1988)
Power Driven Mower 40" (5 yrs.)
Int. Cub Cadet Riding Mower (10 yrs.)
High Pressure Steam Cleaner (1986)
Gas Powered Wheelbarrow (25 yrs.)
Kassco Spray Helmet (1989)
Gas Mask (4-12 yrs.)
Pot Washer (over 20 yrs.)
Foliage Plant Carts (over 20 yrs.)
2-Back Pack Sprayers (1988,1989)
2-Weeder, Straight Shank (1986,1987)
Back Pack Blower (1986)
Giant Vac Blower (over 10 yrs.)
Edger (1987)
Mower Decks, Rotary 34" (over 5 yrs.)
Mower, Push 22" (1986)
Hedge Trimmers Gas Powered (1987)
2-Soil Shredder (over 15 yrs.)
Tiller Ariens (5 yrs.)
Tiller Int. Pull Behind (over 10 yrs)
2-Tiller Troy Built (1986, over 10 yrs.)
2-Weedeater Echo (1986)
Weedeater Hoffco (over 5 yrs.)
Weedeater McCulloch (over 10 yrs.)
Weedeater Stihl 52 (1987)
Outside irrigation Pipes & System (over 15 yrs.)
Pool Vac (1986)
Wet Dry Vac (1988)
Speakers (1988)
Microphones (1988)
PA System (over 15 yrs.)
Slide Projectors (1988)
Screen (1987)
3-Typewriters (over 5 yrs.)
Panasonic Word Processor (1986)
4-Unisys PC's (1987, 1988)
7-Monroe Calculators (1986, 1987, 1988)
Multiplex Slide Storage Cabinet (1986)
Addressograph Label Machine (over 15 yrs.)
New Hermes Computer Label Machine (1987)

Question: Last year we provided $100 thousand to analyze structural problems at the Conservatory. Has that study been completed? If so, supply for the record; if not, what is the schedule? You are asking $500 thousand for design work. This may be premature if the study is not yet complete. Also, shouldn't we have an idea of what this total project is going to cost before we go ahead with the design?

Response: The preliminary study funded in FY 1989 has not yet been completed. An architectural engineering consulting firm has been selected to make the analysis of the structural and other problems.

Its work will be completed by the end of this fiscal year. The study will include an estimated total anticipated project cost. The $500 thousand dollars requested in FY 1990 will provide the construction documents and detailed cost estimate required for the anticipated corrective measures, funds for which will be requested in FY 1991 or thereafter.

Additional Steam Generation Capacity

Question: Please discuss more fully the need to increase the Power Plant's Steam Generation Capacity. Why is this necessary? Provide a listing of users, the amount of steam used and how the use has increased over the years. How much steam is generated by the Plant currently? What additional facilities does your estimate of need for increasing the steam capacity reflect? Has the conceptual design been completed yet?

Response: The current firm capacity of coal-fired boilers Nos. 1 and 2 is approximately 125,000 to 150,000 pounds of steam per hour each. They are normally fired at a rate to produce approximately 100,000 pounds of steam per hour each. The No. 3 boiler is natural gas-fired and is on interruptible service such that it may not be available for use during extreme peak periods of gas usage. As a prudent policy, it is necessary always to have enough reserve capacity to enable the heating requirements to be met in the event that there should be a failure of one of the boilers.

The current demand for steam during the coldest winter period is approximately 280,000 to 300,000 pounds per hour. The renovated City Post Office and the proposed Judiciary Office Building, each to be completed by fiscal year 1993, will add a substantial additional load such that two coal-fired boilers may not be sufficient. If either the No. 1 or No. 2 boiler were to fail during the peak load period, the reserve capacity in the remaining boilers may not be sufficient to supply the steam required. The four 50,000 pound per hour oil-fired boilers are of marginal capacity to carry the additional load and they currently are in need of a substantial amount of tube replacement repair work. The coal-fired boilers are 38 years old and the oil-fired boilers and associated equipment are 25 years of age and complete replacement should be anticipated. The gas-fired boiler, as stated above, is subject to interruption during peak periods of gas usage.

The Capitol Power Plant generates steam supplied to the Capitol, Senate and House Office Buildings, the three Library of Congress Buildings, the Folger Library, the Supreme Court, the Police Headquarters, the Botanic Garden, the Government Printing Office, the City Post Office, and Union Station.

The annual steam consumption has increased from approximately 800 million pounds in 1978 to approximately 1,200 million pounds in 1988.

The conceptual design report and cost estimate will be available by October 1989.

Authorizations/Approvals for Projects

Question: You are requesting funding for a number of projects that need to be authorized by the appropriate Committees, boards or commissions that have jurisdictional authority. Please discuss, by project, the current status of the authorizations/approvals to proceed with this work.

Response: The Joint and Senate projects that were requested requiring authorization from the Senate Committee on Rules and Administration or other authorizing body are listed, and the approval date for each project is indicated.

PROJECT	DATE APPROVED
Senate Office Buildings	
Study of Lighting System Improvements, Committee Rooms	April 18, 1989
Refurbish and Redecorate Caucus Room	April 18, 1989
Renovate Former Telephone Frameroom to Office Space, SD-173	April 18, 1989
Renovation to Senate Barber Shop, Russell Building	April 18, 1989
Renovation to Video Tape Facilities	April 18, 1989
Construction of Telecommunications Work Room, SD-180	April 18, 1989
Purchase of Specialty Furniture	April 18, 1989
Senate Subway system Improvements	Pending review of contractor proposals
Additional Computer System Installations and Power Conditioners	April 18, 1989
Install and Modify Fire Alarm Systems	April 18, 1989
Modular Furniture for the Russell and Dirksen Buildings	April 18, 1989
Design for Additional Elevators	April 18, 1989
Electrical System Renovation and Modernization, Russell Building	April 18, 1989
Botanic Garden	
Architectural and Engineering Design for Conservatory	Pending Joint Committee on the Library approval

Recurring Maintenance

Question: Please provide a listing and brief description of all maintenance type jobs that must be done on an annual basis.

Response: Maintenance jobs for the Senate Office Buildings include work performed on an hourly, daily, weekly, quarterly, semi-annual or annual basis for which a base amount of funding is provided in the annual appropriation. This includes lubrication of equipment; repair or replacement of defective, damaged or worn out parts; equipment; wiring on all manner of equipment including elevators, subway cars, air conditioning systems, electrical systems, etc.; painting; cleaning; patching and repairing roofs and flashing systems; caulking and pointing masonry systems; and a host of other work that must be performed on a rather frequent basis.

Maintenance jobs performed on an annual basis for the Capitol Grounds include:

Trees and shrubs: sprayed with insecticides at least three times a year; fertilized and fed every other year; pruned and trimmed throughout the growing season.

Lawns: fertilized in spring and fall; mowed at least once a week during growing season; watered every other night by in-ground irrigation system; grass seeded in fall and spring; limed every third year; leaves raked and removed from Grounds in fall.

Plantings: fall planting of spring bulbs; remove and replant tulips in spring; plant annuals in spring; plant chrysanthemum and ornamental cabbages in late summer.

Irrigation system: winterize each fall and drain lines; spring, activate system and clean heads; during season, replace and clean sprinkler heads.

Roads and sidewalks: make necessary remedial repairs as soon as reported, all year long.

Snow removal: remove snow and ice from all walks, drives and parking lots.

Sweep plaza with mechanical sweeper.
Inspection of all vehicles on Grounds.
Clean all catch basins.
Sharpen mower blades.

Maintenance jobs that must be performed at the U.S. Botanic Garden once to several times each year are summarized as follows. The annual maintenance jobs will change following the relocation of the Production Facility to D.C. Village during FY 1990 to FY 1991. The horticultural jobs that must be performed each year are not reflected in this list.

The following maintenance jobs must be performed at the U.S.B.G. once to several times each year.

1. Replace all broken panes of glass as needed at the greenhouse production facility and the Conservatory.
2. Seasonally check all glass for slippage and structural repairs.
3. Check all heating systems and controls prior to start up of systems, repair as needed.
4. Check all cooling and ventilation systems and controls prior to start up of systems, repair as needed.
5. Check and repair all roofs annually.
6. Check and clean all gutters twice per year.
7. Resand and level floors inside of the Conservatory.
8. Adjust stones and resand joints on the Conservatory Terrace.
9. Wash down interior structural members in the Conservatory.
10. Wash brick walls in the Conservatory.
11. Clean all pools in the Conservatory quarterly.
12. Weatherstrip all doors in the Conservatory prior to winter.
13. Repair and test all irrigation systems.

14. Check all windows and security grates at all buildings and repair as necessary.
15. Winterize all vehicles.
16. Winterize and de-winterize all irrigation systems.
17. Weatherproof for the winter all side ventilator at the old greenhouse range.
18. Winterize and de-winterize all cooling systems.
19. Adjust, align and lubricate ventilators at all locations.
20. Adjust and clean all misting systems.
21. Clean and adjust sump pumps at Poplar Point.
22. Repair and overhaul boilers at Poplar Point.
23. Repair and adjust circulating pumps at Poplar Point.
24. Calibrate and adjust thermostats, pneumatic and electrical heating systems.
25. Repair and replace cold frame sash as needed.
26. Perform routine maintenance such as, lubricate, tune-up, filters, oil change and etc. on all vehicles.
27. Routine maintenance on all mowers, roto-tillers and other grounds equipment such as, sharpen blades, lubricate, tune-up and etc.
28. Paint and repair all outside structures.
29. Adjust and repair all spray equipment.
30. Inspect, repair and replace as needed thermostatic traps at the Administrative Office Building.
31. Repair and paint as needed all interior walls at all locations.
32. Apply and remove exterior shading compound to Conservatory and Greenhouses.
33. Adjust, align, clean and perform preventive maintenance on all shop equipment such as, table saw, planer, jointer and etc.
34. Inspect, clean and maintain septic system at Poplar Point.
35. Inspect, clean and maintain storm sewer collection tanks at Poplar Point.
36. Winterize and de-winterize Bartholdi Fountain.
37. Relamp all buildings including Bartholdi Fountain and Park.
38. Inspect, clean and maintain pool surrounding Bartholdi Fountain.
39. Prepare all snow removal equipment such as snow blower, sand spreaders, plows and etc.
40. Inspect, repair or replace mercury vapor lights as needed in the Conservatory.
41. Design, construct, repair, replace and/or adjust all props used in all of the U.S.B.G.'s shows and both of the First Ladies Luncheons.
42. Inspect, repair, replace, align and adjust limit switches and contacts for electrical systems in the Selsyn Board controls at the Conservatory.
43. Inspect, repair, replace, align and adjust all electrical motors operating ventilators at both locations.
44. Adjust and repair all fertilizer injection systems.
45. Adjust and repair automatic doors at the Conservatory.
46. Inspect, adjust, lubricate and bring on line the steam station for heating the Conservatory.
47. Inspect, clean, align, and adjust electrical contacts in electrical starters for all 3 phase motors at all locations.
48. Inspect, clean, align and adjust oil pumps for heating system at the Old Greenhouse Range.
49. Process all vehicles through the annual District of Columbia inspection.
50. Repair and maintain all road surfaces at Poplar Point.
51. Align and adjust all doors and entranceways, esp. Poplar Point.

52. Inspect adjust and align exhaust ventilation system at Poplar Point.
53. Clean all glass on all buildings twice per year.

Question: Please provide a listing and brief description along with time frames for all cyclical maintenance jobs.

Response: Cyclical maintenance includes items more of a major rehabilitation nature that must be performed over a much longer time frame than annual recurring items.

Examples in the Senate Office Buildings include:

Replacement of roofs after their useful life has been exceeded. A built up flat roof might have a life of 15 - 30 years depending upon sun exposure, pedestrian traffic, quality of installation and nature of construction. A copper roof might last from 50 to 60 years and even up to 80 years or more depending upon the variables cited above plus the prevailing "environmental" conditions which have tended to reduce the life of copper roofs in the recent years.

Cyclic painting of exterior woodwork and/or metalwork must be performed approximately every four years to ensure that exposed surfaces do not prematurely deteriorate.

Air handling systems, depending upon materials of construction, maintenance levels, conditions of service, exposure to water and condensation, etc. have various periods of time at which wholesale renovation or replacement on a non-recurring basis is needed. In the Senate Office Buildings, systems that have been in service for 25 to 30 years are in need of replacement in the Dirksen Buildings. In the Russell Building systems 50 years old or older are in dire need of replacement. these units are presently scheduled for replacement.

Non-recurring projects can also include work which has not been programmed for on an annual basis such as restoration of exterior stonework, restoration of interior woodwork, major refurbishing of committee spaces, restoration of ornamental bronzework, etc.

Cyclical maintenance jobs for the Capitol Grounds for Fiscal Year 1990 include all paving work, restoration of outside features, etc., which are accomplished during spring, summer and fall as weather permits.

Nonrecurring Items

Cyclical Maintenance

Replacement of Bituminous Concrete Paving at Various Locations	10-15 Years
Restoration of Peace Monument and Fountain Base.	20-25 Years
Replace Sidewalks at Various Locations	10-15 Years
Replace Street Lighting System, N.E. & N.W. Quad	15-20 Years

Equipment Replacement:

Replace Backhoe Loader	5-7 Years
Replace Three Pick-up Trucks	5-7 Years
Replace Dump Truck	5-7 Years

With the move of the U. S. Botanic Garden Production Facility to D.C. Village, the requirements for large cyclical projects at Poplar Point will be eliminated. The Conservatory Administrative Building and grounds, however, will continue to require cyclical repair and replacement in the short term due to age and condition of the systems and structures. The following list is the projected cyclical maintenance for all facilities, with approximate cost for all facilities except D.C. Village.

1. Replace glass on all greenhouses every 25 years.
2. Replace and update the HVAC Systems in the headhouse every 15-20 years.
3. Replace headhouse building roof every 20 years.
4. Recaulking of Metal Panel Facade every 5 years.
5. Replace coldframe sash every 5-10 years.
6. Replace and/or repair wood members on lathe house every 10-20 years.
7. Repair and/or replace sidewalks every 10-25 years.
8. Recaulking of stone work every 5 years.
9. Clean and coating of aluminum doors every 5 years.
10. Repair Bartholdi Fountain Basin every 25-30 years.
11. Repair Bartholdi Fountain every 5 years.
12. Rewire Bartholdi Fountain every 20 years.
13. Replace air-conditioning system in Administrative Office every 20 years.
14. Replace Conservatory and Administrative Office flat roofs every 20-30 years.
15. Reglaze Conservatory every 30 years.
16. Update all Conservatory electrical systems every 15 years.
17. Update all Conservatory mechanical systems every 20 years.
18. Repair and reset stone steps in Bartholdi Park every 10-15 years.
19. Repaint interior spaces every 3-5 years.
20. Review and update design of all collections and landscaped areas every 7 years.
21. Repair and clean all drain lines and catch basins every 2-3 years.

22. Repair and/or replace and/or regasket all casement windows in the Administrative Office every 15-20 years.
23. Repointing stonework on Conservatory and Administrative Office every 20 years.
24. Replace pumps and filter systems on all fountains and pools every 15-20 years.
25. Repair tempered water systems every 5 years, replace every 25 years.
26. Replace all office carpeting every 5-10 years.
27. Refinish and/or repair furnishings every 10 years.
28. Update irrigation systems every 10-15 years.
29. Update humidification/misting systems every 5-10 years.
30. Update fertilizer injector systems every 10-15 years.
31. Update all control systems every 15 years.
32. Update all electrical systems every 15 years.

Capitol Buildings

Question: You are requesting 7 new positions for the cleaning of the Capitol. Are you responsible for cleaning all areas within the Capitol Building? How many employees do you have to do this work?

How do you determine the number of custodial workers needed? How many square feet does each person have responsibility for? You mention that you can achieve best results from certain cleaning products, however these products are very labor intensive. Please discuss.

Response: The Architect is responsible for cleaning most of the House side of the Capitol, about 98%, except for the Cloakrooms and several other small areas. On the Senate side of the Capitol, in addition to the offices occupied by the Architect and the Rotunda, we are only responsible for cleaning the public corridor areas in the original Senate wing, which amounts to only about 1% of the Senate side of the Capitol.

Including supervisors there are a total of 34 employees responsible for the custodial maintenance of the areas under the Architect. This includes 23 night laborer positions who perform the majority of the cleaning in public areas. The number of cleaners is determined by the workload and effort required to meet the expected levels of cleanliness.

An average of approximately 12,500 feet are assigned to a custodial employee. However, this varies widely depending on the type of space assigned. On the high side are open common areas. On the low side are the House dining areas.

The process of stripping, applying sealers, and wax and buffing the floors is very labor intensive. Areas are normally done which require a night for each step of the process. This is the same process used in most hospitals and other high traffic public facilities. The finish lasts about a month in high traffic areas. Other types of products such as liquid waxes can be applied much faster but their original appearance is not as good and in high traffic areas they have to be applied almost daily. Though the process that is used is labor intensive it provides the best appearance for the least amount of work.

Renovation of Dirksen South Cafeteria

Question: Your request includes $676,000 for renovation of the Dirksen South Cafeteria. What specific changes will be made?

Response: The scope of the Dirksen South Cafeteria renovations includes remodeling the entire South Cafeteria space including the seating and service areas. The project will help provide better service and more variety to Senators and staff.

Changes will include:

Replacing the temporary buffet service with its makeshift equipment into a pleasant dining facility capable of serving various sized group functions.

A new pizza carryout, production and service facility, and a retail bake shop.

Question: What are the estimated dates for project initiation and completion for each phase of the work? Why can't we fund this project in phases?

Response: It is estimated that Phase I will begin in early FY 90 with the preparation of construction documents and procurement for the entire project. Construction of the retail bakery and pizza shop will begin in the summer of 1990 and be completed in the fall.

Construction of Phase II, renovation of the dining rooms will begin in October 1990 and be completed in 1991.

The project can be funded in the phases described above. Funding requirements would be $376,000 in FY 1990 and $300,000 in FY 1991.

Funding to Construct a Baghouse for Another Boiler

Question: You mention in your justification various problems experienced with your coal and oil fired boilers. These problems have necessitated the increased use of a back-up boiler which does not meet EPA standards for particulate emission. Your request appears to include funding to correct the problems experienced with your boilers plus funding to construct a Baghouse on the back-up unit. Why do you need to continue to use the back-up boiler on a regular basis if we provide funding to correct the problems with the other boilers?

Response: Natural gas is supplied to the No. 3 boiler on an interruptible basis. We cannot count on this boiler to be available during peak load periods. Even if the oil-fired boilers were repaired, their total maximum capacity of 200,000 pounds per hour is only marginally sufficient to carry the current load if either the No. 1 or No. 2 boiler were to fail during peak load periods. The Baghouse would allow the No. 3 boiler to be fired with coal during peak periods.

Question: You mentioned that because the number 3 coal-fired boiler is being used on a regular basis you had to temporarily convert it to gas in order to meet the particulate emission standards of EPA. If it is necessary to continue to use this boiler on a regular basis, couldn't you continue to use gas at least for a few years?

Response: The No. 3 natural gas-fired boiler can be used except when the gas company calls upon us to interrupt the use of gas because of a lack of capacity of their system. Chances are that all of the boilers will not fail at the same time. However, all of this equipment is getting old and failures can be expected more frequently in the future.

Replacement of PCB Transformers and Cable

Question: You are asking for $3.9 million to reclassify or replace several transformers which contain polychlorinated biphenyls (PCB's). How much has been appropriated to date and how many transformers has that provided for? How many will the current request take care of? How many will still require reclassifying or replacement?

Response: $8,000,000 has been appropriated to date, of which $1,774,000 was re-programmed for other purposes during FY 1988. Of the $6,226,000 currently available, $3,536,502 has been obligated or allotted to date. The additional funds include replacement of the reprogrammed funds so that the process of reclassification and replacement of PCB transformers may proceed in a timely manner. To-date, 36 transformers have been or are being reclassified. An additional 22 transformers are in process in FY 1989. It is planned to have an additional 72 transformers in process in FY 1990. In addition, the replacement of 20 transformers is scheduled for FY 1990.

Replacement of Steam Tunnel

Question: You mention that the replacement of the steam tunnel under North Carolina Avenue will cost less if it is done at the time the D.C. Government does the reconstruction of the paving and subgrade above the tunnel. How much will we save? When does the District plan to start the reconstruction effort?

Response: It is not known precisely how much will be saved since final details of construction and coordination have not been developed at this time. However, obviously, the tunnel repair work must be done whenever the street is removed and the tunnel is therefore exposed and available for repair. The D.C. Government is planning to start the street replacement in April 1991.

Increased Steam Generating Capacity

Question: You are asking for $1.0 million to begin the actual design of a new or remodeled steam plant for the Capitol Power Plant. Last year, we provided $200 thousand to perform a conceptual design for future expansion of the Plant. Has the conceptual design been completed yet?

Response: The conceptual design report and cost estimate will be available in October 1989. The $1.0 million is requested to begin the actual design of a new or remodeled facility during FY 1990. It is anticipated that construction funds will be requested in the FY 1991 budget.

Sidewalk Replacement

Question: I understand that you are planning to replace damaged portions of the sidewalks with a coarser exposed aggregate material which will have a significantly different appearance than the existing pavement. Why can't you fix the sidewalks with materials which will match or blend in with what is already there?

Response: In replacing portions of the damaged exposed aggregate sidewalks, we will match the size and color of the surrounding exposed aggregate as closely as possible so as to blend the repaired sections in with the existing walks.

Question: What happens if 10 - 15 years from now the supply of this new material dries up and you are faced with the prospect of using still another type of exposed aggregate? What are you planning to do to avoid this?

Response: The washed stone aggregate that is used in the exposed aggregate sidewalks is in abundant supply and should be available for the foreseeable future.

Question: What other alternative replacement materials have you considered?

Response: There should not be any reason to change the replacement materials since the aggregate stone is quarried locally and is in abundant supply.

Advance In Place Monitoring System

Question: You are requesting $3.0 million for the Advance in Place Monitoring System (EDS) to expand the current system to include 6 more spaces in the Capitol and 19 spaces in the Cannon, Longworth and Rayburn House Office Buildings. How many spaces are included now? What is the major cost element of this program?

Response: There are currently 9 spaces in the Capitol and 12 spaces in the Senate Office Buildings. A major cost element in this program is an additional central monitoring station for the House Office Buildings and the associated cabling costs to interconnect all of the spaces to be monitored.

Elevators in Senate Building

Question: Please discuss future plan for improvements to the elevators. How much funding is included in your fiscal year 1990 request for elevator projects.

Response: The current program for elevator improvements in the Senate Office Buildings, as provided by $632,000 in funds appropriated in FY 1989, is as follows:

$150,000 for a comprehensive engineering and architectural study, including construction cost estimates, to add additional elevators to the Senate Office Buildings.

$200,000 for cab and hardware refurbishing appropriate for the Russell and Dirksen Senate Office Buildings.

$50,000 for a comprehensive evaluation and recommendation for improvements of the Hart Building passenger elevators by a consulting elevator engineer.

$150,000 for a pilot maintenance contract to provide outside elevator preventive maintenance service for the Russell Senate Office Building.

$50,000 to provide for revisions and an "up-grade" to the software of our in-house elevator computerized preventive maintenance program.

$32,000 as a contingency.

Question: If the project to install additional elevators is approved, what would be the range of cost for their installation? What other alternatives are under consideration? How did you determine the number of elevators needed? What additional maintenance costs and staff would be required to provide proper maintenance to such equipment?

Response: The cost to install additional elevators will depend upon their location and architectural design. It is estimated that each elevator could cost approximately $600,000. However, until the consultant's report is available, there is no pre-conceived notion as to how many elevators are required or where they might be located, or what they might cost. Additional maintenance costs and staff will, of course, depend upon the results of the study.

Russell Building Elevator Maintenance Pilot

Question: When did you initiate the elevator maintenance pilot project at the Russell Building? How do you have the pilot set-up? Thus far, have you been satisfied with the service received?

Response: The elevator maintenance pilot project is currently being developed as a bid package and will not be operational until mid-summer of FY 1989.

Russell Building Electrical System Renovation and Modernization

Question: Please provide a schedule of work with milestones and planned obligations.

Response: The Russell Building electrical system modernization project is currently underway and the conceptual design report is scheduled for October 1989. Detailed design and the beginning of construction is planned for FY 1990. This is a design-as-you-build project similar to the Longworth House Office Building project and detailed schedules cannot be developed until after the conceptual design report is received.

Long Range Facilities Planning Process

Question: Do you have a long range plan for facilities? If yes, who participates in the planning process? Are the plans subject to periodic review and revision? What future action is planned?

Response: The annual Budget Call requests managers to provide five year projections of long range budgetary requirements. The Budget Office reviews any submissions to this request.

Travel Expenditures

Question: Provide actual travel expenditures for fiscal year 1988 and for the first quarter of fiscal year 1989.

Response: The information follows:

OFFICE OF THE ARCHITECT OF THE CAPITOL

TRAVEL

(FROM OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988)

APPROPRIATION	LIMITATION	EXPENDED
CAPITOL BUILDINGS, 1988	$	$ 7,404.51
CAPITOL BUILDINGS, NO YEAR		1,330.31
CAPITOL GROUNDS, 1988		40.02
WEST CENTRAL FRONT OF THE CAPITOL, NO YEAR		364.00
SENATE OFFICE BUILDINGS, 1988		14.93
HOUSE OFFICE BUILDINGS, 1988		49.42
STRUCTURAL AND MECHANICAL CARE, LIBRARY BUILDINGS AND GROUNDS, 1988		4.40
STRUCTURAL AND MECHANICAL CARE, LIBRARY BUILDINGS AND GROUNDS, NO YEAR		17.22
	$ 10,000.00	$ 9,224.81

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Richard C. Matullo	Assistant to the Accounting Officer	Washington, D.C.	Attend seminar on Management Of Vendor Payments	10/14/87	$ 1.60
Barry L. West	Accountant	Washington, D.C.	Attend seminar on Management Of Vendor Payments	10/14/87	1.60
Tony Lopez	Computer Specialist	Washington, D.C.	Attend seminar on Management Of Vendor Payments	10/14/87	1.60
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	10/14/87	1.60
J. Raymond Carroll	Director of Engineering	Washington, D.C.	Attend seminar on Demand Management - Technology and Practices	10/14/87	1.60
John F. Hackett	Archives Specialist	Charleston, West Virginia	Attend 1987 Fall Meeting of the Mid-Atlantic Regional Archives Conference	10/15/87 - 10/16/87	211.90

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
George M. White	Architect of the Capitol	New York City, New York	Inspect the work of Sculptor Judson Nelson on the portrait bust of former Vice President Walter F. Mondale	10/15/87	177.00
William L. Ensign	Assistant Architect of the Capitol	Baltimore, Maryland	Select marble to be used on various Archittect of the Capitol projects	10/23/87	16.80
Betty Rouse	Computer Programmer	Washington, D.C.	Attend seminar on Thrift Savings Plan	10/27/87	1.60
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	10/27/87	1.60
Larry Czechanski	Electrical Power Mechanic	Baltimore, Maryland	Attend Multi-amp Institute (Basic) Course: Utility Protective Relay Maintenance	11/02/87 - 11/06/87	21.42
Richard C. Crupi	Electrical Power Mechanic	Baltimore, Maryland	Attend Multi-amp Institute (Basic) Course: Utility Protective Relay Maintenance	11/02/87 - 11/06/87	35.28

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Robert A. Nash	Head Data Processing Division	Cherry Hill, New Jersey	Attend a seminar on Sperrylink Working Group	11/18/87	104.86
Betty ouse	Computer Programmer	Washington, D.C.	Attend seminar on Thrift Savings Plan	11/18/87	1.60
Leah Ann Furr	Assistant Payroll Supervisor	Washington, D.C.	Attend seminar on Thrift Savings Plan	11/18/87	1.60
George M. White	Architect of the Capitol	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	11/27/87	17.00
Leah Ann Furr	Assistant Payroll Supervisor	Washington, D.C.	Attend seminar on Thrift Savings Plan	12/16/87	1.60
George M. White	Architect of the Capitol	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	01/07/88 - 01/14/88	19.00
Donna Gillott	Personnel Assistant	Washington, D.C.	Attend seminar on Basic Employee Benefits	01/12/88 - 01/13/88	6.80

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	01/19/88 - 02/17/88	18.60
Ben C. Wimberly	General Counsel	Washington, D.C.	Attend a seminar on The 1988 Government Contracts Year in Review	01/27/88	1.80
Wesley E. Mills	Sanitarian	Clinton, Maryland	Attend the National Capital Area Environmental Health Association Education Conference	02/09/88	14.91
Barbara A. Wolanin	Curator	Houston, Texas	Various seminars at the 1988 Annual Meeting of the College Art Association	02/10/88 - 02/15/88	312.75
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	02/18/88	1.60
Ben C. Wimberly	General Counsel	Washington, D.C.	Attend the Surety Bond Seminar For Federal Official And Employees	02/23/88	1.60

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Ken Lauziere	Head Fire Protection and Safety Engineer	Laurel, Maryland	Attend a seminar on Fire Alarm System Update	03/08/88	23.10
Ernest K. Kopecky	Construction Manager	Gaithersburg, Maryland	Attend a symposium on Rehabilitation of Existing Structures	03/08/88	11.34
Robert A. Nash	Head Data Processing Division	Cherry Hill, New Jersey	Attend a seminar on Sperry-link Working Group	03/09/88	71.34
Ben C. Wimberly	General Counsel	Washington, D.C.	Attend LEXIS Instruction Course	03/09/88	1.60
Beverly T. Hummer	General Foreman	New York City, New York	Deposition to be taken in litigation of Daniel Fasolino v. United States of America	03/14/88	124.75
Normandie K. Peterson	Personnel Management Specialist	Washington, D.C.	Attend a seminar on Interpersonal Communications	03/14/88 - 03/16/88	4.80

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Randall H. Batson	Director of Personnel	San Francisco, California	Attend Eleventh Annual Conference for Trainers, Consultants and Other HRD Professionals	03/15/88 - 03/21/88	346.08
Betty Rouse	Computer Programmer	Washington, D.C.	Attend seminar on Thrift Savings Plan	03/16/88	1.60
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	03/17/88	1.60
John Chickering	Head Electrical Engineer	Chicago, Illinois	Witness unwinding of the Madison Building P.C.B. transformer core to determine the cause of failure at Westinghouse Laboratory	03/21/88 - 03/22/88	581.00
Richard M. Brandon	Head Electronic Engineer	Landover, Maryland	Attend seminar on Rdb/VMS Design and Programming	03/21/88 - 03/25/88	21.00
J. Stanley Kirk	Electronics Technician	Landover, Maryland	Attend seminar on System Performance Management	03/21/88 - 03/25/88	31.50
Cheryl Bruce	Head Nurse	Arlington, Virginia	Attend seminar on Nursing Quality Assurance	03/26/88	7.98

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
George M. White	Architect of the Capitol	Chicago, Illinois	Attend INTERFACE'88 Conference	03/28/88 - 03/29/88	354.00
Dan Hanlon	Assistant to the Director of Engineering	Chicago, Illinois	Attend INTERFACE'88 Conference	03/28/88 - 03/31/88	392.00
Keith Thomas	Personnel Management Specialist	Washington, D.C.	Attend a seminar on Organizational Study and Design	03/28/88 - 04/01/88	8.00
Richard M. Brandon	Head Electronics Engineer	Landover, Maryland	Attend seminar on All-In-One Application Programming	03/28/88 - 04/01/88	21.00
J. Raymond Carroll	Director of Engineering	Chicago, Illinois	Attend INTERFACE'88 Conference	03/29/88 - 03/31/88	353.60
J. Stanley Kirk	Electronics Technician	Landover, Maryland	Attend seminar on DECnet VAX Network Management	04/04/88 - 04/08/88	31.50
John C. Moore	Electronics Technical Foreman	Landover, Maryland	Attend DECnet VAX Network Management Course	04/04/88 - 04/08/88	67.20

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Steve Miller	Administrative Assistant	Landover, Maryland	Attend VAX/VMS All-In-1 User Course	04/18/88 - 04/20/88	47.88
George M. White	Architect of the Capitol	Canberra, Australia	Attend dedication ceremonies of the new Australian Parliament House; going as emissary for Speaker	04/30/88 - 05/13/88	2,541.82
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	05/12/88	25.00
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting	05/18/88	3.00
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	05/19/88	1.60
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	05/19/88	5.00
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	05/26/88	5.00

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting	06/13/88	6.00
Regina DuBose	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	06/16/88	1.60
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend D.C. Zoning Commission meeting (private vehicle)	06/20/88	5.00
George M. White	Architect Assistant	New Brunswick, New Jersey	Attend telecommunications fact finding for Legislative Branch Telecommunications Network	07/11/88 - 07/12/88	68.00
William F. Raines, Jr.,	Administrative Assistant	New Brunswick, New Jersey	Attend telecommunications fact finding for Legislative Branch Telecommunications Network	07/11/88 - 07/12/88	68.00
Dan E. Hanlon	Assistant to the Director of Engineering	New Brunswick, New Jersey	Attend telecommunications fact finding for Legislative Branch Telecommunications Network	07/11/88 - 07/12/88	68.00

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Mitch Front	Legal Assistant	Washington, D.C.	Determine who had title of a piece of property at the D.C. Surveyor's Office	08/10/88	1.60
Mary E. Hall	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	08/17/88	1.60
Leah Ann Furr	Assistant Payroll Supervisor	Washington, D.C.	Attend seminar on Thrift Savings Plan	08/17/88	1.60
Elliott Carroll	Executive Assistant	Baltimore, Maryland	Represent Architect of the Capitol by serving on case panel for the Advisory Council for Historic Preservation	08/24/88	24.75
Dan E. Hanlon	Assistant to the Director of Engineering	Boston, Massachusetts	To address the annual conference of the National Association of State Telecommunications Directors	09/10/88	173.00

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Elliott Carroll	Executive Assistant	Gallup, New Mexico	Attend regular meeting of the Advisory Council on Historic Preservation as designee for the Architect of the Capitol	09/24/88 - 09/27/88	660.75
Joseph Adams	Electronics Engineer	Boston, Massachusetts	Attend lectures and demonstrations of security products and techniques	09/27/88 - 09/28/88	131.50
Richard M. Brandon	Head Electronics Engineer	Boston, Massachusetts	Attend lectures and demonstrations of security products and techniques	09/27/88 - 09/28/88	131.50
John M. Mier	Air Conditioning Engineer	Herndon, Virginia	Attend a seminar on ASHRAE Energy Professional Development	10/15/87 - 10/16/87	38.00
John S. Kirk	Electronics Technician	San Diego, California	Attend the Phoenix Systems Manager Courses at Staefa Control	11/01/87 - 11/07/87	412.82
Scott Birkhead	Head Air Conditioning Engineer	San Diego, California	Attend the Phoenix Systems Manager Courses at Staefa Control	11/01/87 - 11/07/87	502.74

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Joseph L. Adams	Electronics Engineer	Torrace, California	Participate in evaluation of Javelin Electronics protype operators control panel	11/18/87 - 11/21/87	376.75
George Rollins	Tree Surgeon	Richmond, Virginia	Pick up tree line lift truck	02/23/88	40.02
Charles K. Tyler	Attorney	Washington, D.C.	Attend Surety Bond Seminar For Federal Official And Employees	02/23/88	1.60
Newell R. Anderson	Structural Engineer	Silver Spring, Maryland	Attend National Capitol Chapter of American Concrete Institute Seminar	02/25/88	4.83
Charles K. Tyler	Attorney	Washington, D.C.	Attend LEXIS Instruction Course	03/03/88	1.60
William L. Ensign	Assistant Architect of Capitol	New York City, New York	Discuss report on West Central Front Terrace	03/04/88	204.86
James [illegible]. Krapp	Project Manager	New York City, New York	Discuss report on West Central Front Terrace	03/04/88	151.11

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Marvin H. Simpson	Head, Furniture Division	Washington, D.C.	Attend a seminar on Storage and Warehousing	10/21/87 - 10/23/87	4.80
David A. Douglas	Personnel Clerk	Washington, D.C.	Attend a seminar on Time Management for Support Staff	02/01/88 - 02/08/88	3.20
Beverly S. Wallace	Head Nurse	Arlington, Virginia	Attend seminar on Nursing Quality Assurance	03/26/88	6.93
Scott Cahoon	Personnel Management Specialist	Washington, D.C.	Attend a seminar on Basic Employee Benefits	01/12/88 - 01/15/88	13.60
Alice M. Benoit	Head Nurse	Baltimore, Maryland	Attend Code Blue Seminar	04/19/88	25.62
Scott Cahoon	Personnel Management	Washington, D.C.	Attend a three day seminar on Position Classification Evaluation Reports	08/08/88 - 08/12/88	10.20

APPROPRIATION: CAPITOL BUILDINGS, 1988 (0180105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1988 - FOR THE PERIOD: OCTOBER 1, 1987 THRU SEPTEMBER 30, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Robin A. Avent	Personnel Management Specialist	Washington, D.C.	Attend a seminar on The Federal Wage System	11/23/87 - 11/24/87	4.40
Valerie Sivinski	Architectural Draftsman	Gainesville, Virginia	Examine Library of Congress doors to determine preservation requirements	10/26/87	17.22

OFFICE OF THE ARCHITECT OF THE CAPITOL

TRAVEL

(FROM OCTOBER 1, 1988 THRU DECEMBER 31, 1988)

APPROPRIATION	LIMITATION	EXPENDED
CAPITOL BUILDINGS, 1989	$	$ 702.36
CAPITOL GROUNDS, 1989		436.75
SENATE OFFICE BUILDINGS, 1989		191.15
HOUSE OFFICE BUILDINGS, 1989		18.50
CAPITOL POWER PLANT, 1989		28.35
	$ 20,000.00	$ 1,377.11

APPROPRIATION: CAPITOL BUILDINGS, 1989 (0190105)

ARC. .CT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1989 - FOR THE PERIOD: OCTOBER 1, 1988 THRU DECEMBER 31, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Donna C. DeFusco	Head Records Management Specialist	Baltimore, Maryland	Attend the 33rd Annual Association of Records Managers and Administrators Conference	10/03/88 - 10/06/88	$ 37.65
Adrienne E. Powers	Interior Design Specialist	New York City, New York	Attend seminar on Designer's Saturday	10/06/88 - 10/09/88	214.85
Betty A. Rouse	Computer Programmer	Washington, D.C.	Attend seminar on Thrift Savings Plan	10/12/88	1.60
Mary E. Hall	Payroll Clerk	Washington, D.C.	Attend seminar on Thrift Savings Plan	10/12/88	1.60
Elliott Carroll	Executive Assistant	Washington, D.C.	Attend meetings of the Zoning Commission and the Board of Zoning Adjustment	10/19/88	3.00
Kathleen M. Como	Head Nurse	Washington, D.C.	Attend classes presented by Institute on Occupational Health Nursing	11/01/88 - 11/04/88	18.40

APPROPRIATION: CAPITOL BUILDINGS, 1989 (0190105)

ARC. .CT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1989 - FOR THE PERIOD: OCTOBER 1, 1988 THRU DECEMBER 31, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Ruth Cauvin	Head Nurse	Washington, D.C.	Attend classes presented by Institute on Occupational Health Nursing	11/01/88 - 11/04/88	64.80
John F. Hackett	Archives Specialist	Williamsburg, Virginia	Attend seminar to update skills on the care of architectural collections and the appraisal of records	11/03/88 - 11/05/88	200.50
Theresa M. Coleman	Computer Programmer	McLean, Virginia	Attend DPS 1100 Tip Programming Workshop	11/14/88 - 11/18/88	55.13
Betty A. Rouse	Computer Programmer	McLean, Virginia	Attend DPS 1100 Tip Programming Workshop	11/14/88 - 11/18/88	95.63
Ben C. Wimberly	General Counsel	Washington, D.C.	Attend seminar on Understanding Telecommunications Technologies For Non-Engineers	12/05/88	3.20
Charles K. Tyler	Senior Staff Attorney	Washington, D.C.	Attend seminar on Understanding Telecommunications Technologies For Non-Engineers	12/05/88	6.00

APPROPRIATION: CAPITOL BUILDINGS, 1989 (0190105)

ARC. .CT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1989 - FOR THE PERIOD: OCTOBER 1, 1988 THRU DECEMBER 31, 1988

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Robert J. Somerville	Automotive Mechanic Worker	Hanover, Maryland	Instruction on the use of new equipment (Automotive Analyzer)	11/09/88	19.35
Paul Pincus	Senior Land Architectural and Horticulture	Orlando, Florida	Attend the 1988 Annual Green Team Conference and Trade Show	11/17/88 - 11/21/88	417.40
Vitae Bergman	Manager Capitol Buildings	New York City, New York	Attend the 73rd International Hotel/Motel and Restaurant Show	11/15/88	88.25
John L. Hitzel	Director of Food Service Senate Restaurant	New York City, New York	Attend the 73rd International Hotel/Motel and Restaurant Show	11/15/88	102.90
Charlotte W. Gormley	Head Nurse	Baltimore, Maryland	Attend seminar on Critical Care Update	11/05/88	18.50
William A. Colandrea	Maintenance Mechanical Foreman	Baltimore, Maryland	Attend classes on the proper use and installation of seals	12/08/88	28.35

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

Equipment Performance

Question: For some reason, the Senate seems to experience more difficulty with the performance of basic equipment in its office buildings than is experienced in the private sector. For example, every Giant Food store in this area has automatic doors that operate quite well under heavy traffic, seven days a week. Yet the automatic doors in the Hart building rarely function. The elevator systems in our three office buildings are a disaster that would never be tolerated in a commercial office building. This is a situation about which this subcommittee and other Senators have complained to you about for some time, and yet operational improvements, if any, are difficult to discern. How can you possibly justify this situation?

Response: The performance of equipment in the Senate Office Buildings varies by type of equipment, severity of application, and the current traffic loading versus the original loading.

In regard to elevators, the program includes improving maintenance and adjusting operations, upgrading and renovating signal and dispatching systems, and consideration of the possibility of replacing entire systems to provide vertical transportation to accomodate the current building occupancy. Funding provided in FY 1989 has allowed all of these areas to be studied by professional consultants and for some amount of preliminary work to be completed in FY 1989.

The automatic door systems in the Hart Senate Office Building have experienced some maintenance and breakdown problems since original installation. However, a recent investigation indicates that these have not predominately accounted for the frequent out-of-service conditions observed on these door systems. The doors are equipped with local toggle switches which allow each door system to be locally secured. It appears that these have been secured in some instances by various personnel to alleviate drafts during busy rush hour periods. To provide control over these door systems, key switches will be installed to ensure that they are not taken out of service unless authorized.

Greater efforts are being taken to ensure maximum availability of all operating equipment in the buildings. This is being accomplished by greater vigilance in inspection, by upgrading general maintenance activities and by the use of "outside" contractors, mechanics and specialists to augment maintenance forces as needed.

Follow-up

Question: Your budget requests an additional $150,000 for preventive maintenance service on Russell office building elevators. Yet of $632,000 provided last year from Russell elevator renovations, no funds has been obligated as of January 31 of this year, according to information provided to staff by your office. What is the reason for the delay in obligating funds? Have any funds been obligated to date? What work has been performed?

Response: The development of a maintenance contract for the elevators in the Russell Building has been difficult and time consuming. However, the bid documents are currently in the final stage of completion. The funds requested for FY 1990 are to continue the contract to be executed as a result of the current bidding process.

Delay in Obligating Funds

Question: There are a number of inexplicable delays in the obligation of funds provided for projects undertaken under your jurisdiction. For example $1,500,000 was provided in 1982 for the replace of Minton tile in the Capitol, but as of January 31 of this year only slightly more than $250,000 has been obligated for the project. What's the explanation?

Response: Funds in the amount of $1,500,000 were appropriated in FY 1982 for a replacement program for worn Minton tiles even though it was clear that the program would be phased over several years. The extended time frame results from the manufacturer's limited capacity to hand make each tile individually. The manufacturer, whose predecessor firm produced the original tile laid in the Capitol in the 1850's, had to redevelop and refine the long unused process.

The tile is being procured in four phases. Phase I has been delivered and installed for $114,550. Phase II has been procured at a cost of $141,878 for installation later this year. An order in the amount of $325,606 has been placed for Phase III tiles for delivery next year, bringing the total obligated to date to $582,034. The last Phase IV tiles will be ordered later this year for delivery in 1991. At the times of installation, labor costs will be obligated for Phases II through IV. The project is expected to be completed in 1992.

Projects Requiring Approval by Rules Committee

Question: Please provide us with a list of all projects for which you are requesting FY90 appropriations that are subject to approval by the Rules Committee, the cost of each, the total for all, and indicate which have been approved.

Response: The Joint and Senate projects that were requested requiring authorization from the Senate Committee on Rules and Administration are listed, and the cost and approval date for each project are indicated.

PROJECT	DATE APPROVED	COST
Senate Office Buildings		
Study of Lighting System Improvements, Committee Rooms	April 18, 1989	$ 228,000
Refurbish and Redecorate Caucus Room	April 18, 1989	183,000
Renovate Former Telephone Frameroom to Office Space, SD-173	April 18, 1989	52,000
Renovation to Senate Barber Shop, Russell Building	April 18, 1989	100,000
Renovation to Video Tape Facilities	April 18, 1989	50,000

PROJECT	DATE APPROVED	COST
Senate Office Buildings		
Construction of Telecommunications Work Room, SD-180	April 18, 1989	53,000
Purchase of Specialty Furniture	April 18, 1989	1,000,000
Senate Subway system Improvements	Pending review contractor proposals	10,000,000
Additional Computer System Installations and Power Conditioners	April 18, 1989	2,000,000
Install and Modify Fire Alarm Systems	April 18, 1989	300,000
Modular Furniture for the Russell and Dirksen Buildings	April 18, 1989	1,000,000
Design for Additional Elevators	April 18, 1989	600,000
Electrical System Renovation and Modernization, Russell Building	April 18, 1989	2,000,000
Total		$17,566,000

Roof Leaks in the Jefferson and Madison Buildings

The Librarian of Congress testified last week that there continue to be problems with leaks in the roofs of both the Jefferson and Madison building of the Library of Congress.

Question: You have undertaken a design for the replacement of the Madison roof at a cost of $100,000. Is that design complete, and when do you plan to proceed with the repair?

Response: The design for the replacement of the roofing materials on the Madison Building is in progress. The bidding documents and final cost estimate will be available by October 1989. It is anticipated that construction funds will be requested in the FY 1991 budget.

Question: Are the problems with the Jefferson building roof being considered in conjunction with the extensive renovation of that building? Can you accomplish the necessary repairs within the funds provided for the overall renovation?

Response: Repairs to the Jefferson building roof are not anticipated to be included in the Renovation and Restoration project.

An outside roofing consultant has been retained to investigate the condition of the Jefferson Building roof systems and to make recommendations for necessary modifications. It is anticipated that construction funds, if necessary, will be requested in the FY 1991 budget.

Additional Senate Hideaway Offices

Question: At the request of the Senate Majority Leader, the Secretary of the Senate has halted renovation work for the Senate Library in the Capitol to evaluate possible use of that space for additional Senate hideaway offices.

Have you identified suitable alternative space for the Senate Library in the event that is moved to another location, and have you made any assessment of the funds required to prepare alternative space for the Library, move the Library to that space, and convert the present Library space to hideaway office space?

Response: The Committee on Rules and Administration, which assigns space for Senate functions on the Senate side of the Capitol and in the Senate Office Buildings, has looked into alternative locations. However, to the best of my knowledge, no commitment of space has been made pending the possible relocation of certain service functions to the renovated City Post Office adjacent to Union Station. Estimates have not been made for preparing new library space or moving the existing library. However, it is estimated to cost approximately $875,000, in today's dollars, to convert the present library to offices.

Senate Subway System

Question: You are requesting $10,000,000 for construction of a new subway from the Capitol to the Dirksen and Hart office buildings. The existing subway from the Capitol to the Russell building would not be replaced, although the equipment is equally old.

Your request for maintenance of the entire system is $26,000, an increase of $1,000 from the current level.

How can we possibly justify a new $10,000,000 system when we are only spending $26,000 a year to maintain the current one?

Response: The dollar value of replacement parts does not represent the labor effort in keeping the existing equipment operational. The existing equipment is fatigued and must be replaced. The cars serving the Russell Building are also old but do not experience long distance travel stress comparable to cars on the Dirksen-Hart track.

Senate Resolution 113

Senate Resolution 113, introduced by Senator Heinz and cosponsored by several other Senators, including Senator Hatfield, directs you to discontinue use of polystyrene containers and trays and convert to biodegradable products, or a least ones more environmentally benign. I believe this matter was raised with you in the last Congress by former Senator Stafford.

Question: Are you prepared to undertake this conversion to other products, or are you waiting until the Senate expressly directs you to do so by passage of S. Res. 113? Has any cost analysis been done?

Response: The polystyrene products used in the Senate Restaurants are to be replaced with paper products wherever feasible. A cost analysis is currently being prepared.

Donation of Surplus Food

The Senate has previously directed you to donate surplus food from the Senate restaurants to appropriate community groups, in an effort to relieve hunger among the homeless of the District of Columbia.

Question: Please describe for us your experience with this program and your assessment of its success.

Response: The Senate Restaurant entered into an agreement with the United Planning Organization (UPO), a D.C. Community Action Agency, to distribute leftover food items to the needy of the District of Columbia, beginning August 1, 1988. The UPO transports leftover items Monday through Friday, with the exception of holidays, from the Dirksen Senate Office Building Main Kitchen to Martha's Table and McKenna's Wagon in time for their evening meal services.

The program has been designed to distribute wholesome leftover food products, that would otherwise be discarded by the Senate Restaurant, under conditions that would eliminate any possibility of negligence on the part of the Senate Restaurant in the event of any incident of foodborne illness. To that end, the Senate Restaurant maintains a record of the donated food and the temperature of the food product when packed in thermal containers for UPO pick up.

The UPO pick up is timed to best meet the objectives of providing a reasonably stable supply of wholesome food. The UPO picks up at 3:30 p.m., at the time the North Servery closes and lunch services are generally over. The foods are distributed and consumed the same evening.

The donated surplus food program is considered to be a successful effort to help relieve hunger among the homeless of the District of Columbia. Since program inception, a reasonably stable supply of wholesome leftover food from the Senate Restaurant has been distributed to the homeless every day that the Dirksen Main Kitchen has operated.

West Front Terrace Repair

The Subcommittee has approved your reprogramming request for funds to repair the terraces on the West Front of the Capitol, subject to a number of conditions, including a competitive bidding process to determine cost.

Question: Can you apprise us of the current status of that project, describe the additional space you will be creating under the terraces, and the rationale for it?

Response: Negotiations are underway with the selected consulting structural engineer to establish a design fee. Work on the construction documents, which will be issued for competitive pricing to establish the reconstruction costs, will begin shortly.

Approximately 4,800 square feet of utility space will be provided under the middle terrace. As part of the study for structural repairs, alternatives were examined for providing finished space under the terraces for meeting rooms and offices. Because of excessive costs the idea was abandoned. However, because of recent concerns regarding the need for centrally located utility areas within the Capitol, the concept was re-examined. Approval was given to provide spartan space with limited access at a modest increase in cost.

Exotic Equipment

Question: You are requesting $20,000 for an ultrasonic venetian blinds cleaner and $18,000 for a computerized paint matching system. Do you really believe these expenditures can be justified at this time?

Response: The cleaning of venetian blinds in the Senate Office Buildings has historically been performed when Senators' offices move or by request. Prior to 1958, the Russell Building was the sole Senate Office Building. The wooden blinds were cleaned by high pressure spray in a "blind cleaning room". When the Dirksen Building was built it was equipped with rather heavy duty metal venetian blinds that could be cleaned by the same method. Blinds continued to be cleaned during moves or by request. With the addition of the Hart Building it became quickly apparent that the mini-blinds provided with the building could not be effectively cleaned by the same procedures. Since the occupancy of the Hart Building various efforts have been made to clean the mini-blinds. These efforts have been very time consuming and have never produced an entirely satisfactory job.

Recently, the blinds in one Senator's personal office were cleaned by removing them to the shop, vacuuming them and hand washing them. It took four people two days to handle 10 blinds. More recently, it took two people two days to clean 14 blinds in the Hart Building. It is estimated that these efforts that took 12 man days could likely be accomplished in one man day with the ultrasonic blind cleaning machine.

It is hoped that the acquisition of this piece of equipment will allow the expansion of the blind cleaning program to enable the cleaning of all blinds in the Senate Office Buildings at least once a year on a programmed basis without additional manpower.

With successful application of this unit for blind cleaning, a second unit will be recommended for purchase in FY 1991 to further support the blind cleaning program as well as for cleaning air conditioning grilles and diffusers, lighting fixture lenses, and other equipment.

The investment in this equipment at this time will allow continued upgrading of maintenance services with minimum expenditure.

The computerized paint matching system requested for FY 1990 reduces guesswork in paint/chip matching and thereby saves time and money. It is, however, apparent that this is not absolutely essential to providing an ongoing high standard level of maintenance. It does provide the ability to meet color/design requirements consistently but is not absolutely necessary in providing essential maintenance services at this time. Research has indicated that other local companies, so equipped, are willing to provide such services on an interim basis to meet this need. Because of this the procurement of this unit can be deferred to a later fiscal year.

Plaza Hotel Demolition

Question: Have the smoke tests in Plaza Hotel been completed? When will demolition of this building commence and when will the area be available for additional parking?

Response: Smoke tests were completed in the Plaza Hotel on April 21, 1989. Bids for the demolition of the Plaza Hotel were received on May 10 and an award made on May 17 subject to execution of bonds and a formal agreement. Based upon no unforeseen circumstances, it is expected that all demolition work will be accomplished in June and July and that the installation of lighting, paving and landscaping will be accomplished in August. Parking will be available thereafter.

Senate Parking

Question: You have undertaken a study to determine how many additional parking spaces might be created by restriping the lots. What is your estimate of the number of additional spaces that could be created in this manner? Can you begin this work with available funds?

Response: Estimates developed in the Senate Parking Study indicate that 165 spaces could be added if restriping of the existing parking lots is authorized. This includes approximately 80 spaces to be created on the Plaza Hotel site. Additional layouts have been prepared for restriping of street parking, together with a possible one-way conversion of C & D Streets, which could create between 150-200 new spaces. This work could begin if the Rules Committee directed that the Architect seek a reprogramming of funds to accomplish the work, and the Appropriations Committee subsequently approved such a reprogramming request.

QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

Question: How does an employee qualify for training?

Response: Training of employees is determined by the needs of the organization. Our primary mode of providing training is through on-the-job training by the employee's immediate supervisor. The immediate supervisor may also identify and make recommendations for mission essential training to provide the employee with specific knowledge, skills, and abilities necessary to perform the work of his/her job. To ensure a systematic approach to identifying training needs, supervisors are required to complete an Annual Training Needs Survey which serves as a basis for assessing specific training needs. Also, employees may submit requests through their supervisory chain of command to attend specific training sessions for consideration. Approval is contingent upon the relevance of the training to the employee's work situation as well as the organization's needs and resources.

Question: I believe that Senate employees need to know what their opportunities are. How will these opportunities be conveyed?

Response: Opportunities for promotion in the shops are posted. We are in the process of developing a Career Staffing Policy defining and implementing a merit system which will be provided to each Architect's employee.

In cases where the job is posted and there are no qualified in-house candidates, we will then recruit from the outside.

Question: Is there any recourse available to employees who have been passed over because a job was not posted?

Response: By way of background, there has been no formal requirement in the past to post Senate Office Buildings jobs. Over the years we have gradually increased the requirement for postings. It is not a perfect system; however, most jobs that should be posted are posted. We presently have no formal or published rules. However, employees may seek redress through their supervisors and the Architect, such as was the case with the window washers.

In this regard, we are in the process of developing formal rules. Once those rules are developed and approved, they will be distributed to all Architect of the Capitol employees. Our Grievance policy will provide the employee with established procedures for submitting complaints concerning the administration of Agency rules. Therefore, if an employee feels a job should have been posted, the Grievance policy will provide the employee with instructions for registering a complaint and receiving an answer to or a resolution of the complaint from the responsible management official, or if necessary, from the Architect of the Capitol. The Grievance policy together with the Career Staffing policy will assure fair treatment to our employees.

Question: Does the Safety Engineer train the Senate Window Washers? Do the Window Washers have access to the Safety Engineer in the event they have safety related questions?

Response: The Window Washer Foreman is responsible for the training of Window Washers on a regular basis. The Safety Engineer conducts inspections of their operations and provides guidance concerning safety issues to the foreman, and if necessary, the Superintendent, Senate Office Buildings. Any serious violations of safety procedures are reported to the appropriate officials for corrective action. Employees may contact the Safety Engineer concerning any situation for which they believe there is a safety violation. The Safety Engineer is available at any time, to include Saturdays when requested.

Question: Finally, do you plan to personally meet with the Senate Window Washers, and if so, when?

Response: I will, of course, meet with the Window Washers should that be necessary, but in the meantime, representatives from my Personnel Office have met with the window washers to listen to their concerns and address the issues they raised. In addition, I visit all the offices and shops on a periodic basis to discuss with employees matters of mutual interest. I will be conducting such a visit in the not too distant future in the Senate Office Buildings.

SUBCOMMITTEE RECESS

Senator Reid. If there is nothing further to be brought before the subcommittee, the subcommittee stands in recess until 2 p.m., this Thursday, when we will hear testimony from the General Accounting Office, the Office of Technology Assessment, and the Capitol Police Board.

Mr. White. Thank you.

[Whereupon, at 3:40 p.m., Monday, May 8, the subcommittee was recessed, to reconvene at 2 p.m., Thursday, May 11.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1990

THURSDAY, MAY 11, 1989

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2 p.m., in room SD-116, Dirksen Senate Office Building, Hon. Harry Reid (chairman) presiding.

Present: Senators Reid and Nickles.

OFFICE OF TECHNOLOGY ASSESSMENT

STATEMENTS OF:

HON. EDWARD M. KENNEDY, CHAIRMAN, TECHNOLOGY ASSESSMENT BOARD

HON. TED STEVENS, MEMBER, TECHNOLOGY ASSESSMENT BOARD

JOHN H. GIBBONS, DIRECTOR

ACCOMPANIED BY:

LIONEL S. JOHNS, ASSISTANT DIRECTOR FOR ENERGY, MATERIALS, AND INTERNATIONAL SECURITY

ROGER HERDMAN, ASSISTANT DIRECTOR FOR HEALTH AND LIFE SCIENCES

JOHN ANDELIN, ASSISTANT DIRECTOR FOR SCIENCE, INFORMATION, AND NATURAL RESOURCES

CATHERINE H. SINGLETON, BUDGET AND FINANCE OFFICER

THOMAS P. McGURN, ADMINISTRATIVE OFFICER

HOLLY L. GWIN, GENERAL COUNSEL

OPENING REMARKS

Senator REID. The subcommittee will come to order.

Today the subcommittee will consider the fiscal year 1990 budget request for the Office of Technology Assessment, $19.7 million; for the Capitol Police, $61.7 million; and for the General Accounting Office, $385.4 million.

We are glad to welcome today Senator Edward M. Kennedy, Chairman of the Technology Assessment Board; Mr. John Gibbons, Director of the Office of Technology Assessment; Henry Giugni, Jack Russ, and George White, Chairman and members of the Capitol Police Board, and Chief Frank A. Kerrigan of the Capitol Police; and Mr. Charles A. Bowsher, Comptroller General of the United States.

The first witness will be the Chairman of the Office of Technology Assessment Board, the Honorable Edward M. Kennedy. Senator Kennedy, sorry to keep you waiting.

Senator KENNEDY. No problem.

PREPARED STATEMENT

We thank you very much for the opportunity to make the presentation, Mr. Chairman, and with your support, I will make my statement a part of the record.

Senator REID. That will be the order.

[The statement follows:]

STATEMENT OF SENATOR EDWARD M. KENNEDY

Mr. Chairman, members of the Committee, I appreciate the opportunity to appear before you today to express my support of the Fiscal Year 1990 budget request of the Office of Technology Assessment. As Chairman of the Technology Assessment Board, I would like to take a few moments to discuss the importance of the OTA, and review some examples of the excellent assistance it has provided to Congress in recent years.

The AIDS epidemic, global warming, the future of the manned space program, emerging industries such as biotechnology - these are just a few of the many challenges that Congress must address and that raise complex issues of science and technology. OTA was created in 1972 to provide us with the best factual information and the best available thinking in these areas, so that our policy discussions will be as informed as possible.

Experts often disagree on these complex issues, and the problems increase when interest groups have a stake in the outcome. OTA explores these issues and arguments, and sorts out the reasons for disagreement. A growing number of committees of Congress request a broad range of studies with immediate and long-term relevance to issues of public policy.

To assure quality, accuracy and fairness for each assessment it undertakes, OTA convenes an advisory panel of experts and stakeholders on the issues at hand. These advisors range from university professors to industry scientists, from private entrepreneurs to public interest advocates. The OTA staff then assembles comprehensive reports, which are highly regarded not only by the Congress, but by the academic community and the private sector.

In my estimation, the 1983 OTA report on the use of polygraphs in the federal government had a tremendous impact on our legislation passed by Congress in 1988, concerning the use of this technology in the private sector. The OTA study demonstrated some evidence of reliability in specific situations of criminal activity, but no reliability when used in random pre-employment screening. As a result of this excellent study, legislation that I sponsored to limit the use of polygraphs was enacted in 1988. This legislation prohibits the use of polygraphs as a random pre-employment screening tool; polygraphs can only be used where there has been a specific incident of economic loss and there is reason to suspect an individual of being involved in this loss. This OTA study proved to be the most valuable validation of our argument limiting the use of this technology.

During FY 1988, OTA published 20 assessment reports and 11 special reports. All of these reports proved to be extremely useful. Currently, more than 30 studies are in progress.

The Chairman of the House Subcommittee on Energy and Power cited the OTA report Technology and the American Economic Transition as a document that "contains a wealth of information and has been very useful in our understanding of the economy and its likely future direction."

OTA's work on hazardous waste management, particularly the report Serious Reduction of Hazardous Waste, was influential in Congress's decision to appropriate special funds for EPA's waste reduction activities, including special R&D funds and a State grants program.

The Chairman of the House Committee on Armed Services cited OTA's report New Technologies for NATO, as an example of the importance and value of OTA's studies, in that "they often provide a valuable synthesis of technical material contained in a wide variety of studies by the Executive Branch, the military services, and their contractors."

OTA's Health and Life Sciences Division published 7 assessment reports. The report New Developments in Biotechnology: U.S. Investment in Biotechnology, served as an important resource for several Congressional hearings, and was repeatedly cited as being influential in the development of at least two pieces of legislation.

The OTA report Losing a Million Minds: Confronting the Tragedy of Alzheimer's Disease and Other Dementias, is considered the most thorough presentation of all that is known about this debilitating disease.

OTA has also provided timely and insightful reviews on AIDS, to the numerous Congressional committees concerned with this epidemic. OTA conducted a survey of commercial health insurance companies, Blue Cross and Blue Shield plans, and health maintenance organizations to determine their screening and coverage policies. The resulting document, AIDS and Health Insurance - An OTA Survey, has provided a wealth of information to guide policy development in Congress. In the study, How Effective is AIDS Education?, OTA reviewed what is known about the effectiveness of AIDS education for the general population and for those at increased risk of becoming infected with the AIDS virus.

OTA's Science, Information, and Natural Resources Division has also been very productive over the past year. The Chairman of the Committee on House Administration commended the report Informing the Nation: Federal Information Dissemination in the Electronic Age, as a document that provides "the Congress with an overview of the problems and opportunities for information policies that will be most useful ... as we enter this age of new technology, and begin the third century of the United States Congress."

The Special Report Criminal Justice, New Technologies, and the Constitution, should prove to be particularly useful as the Senate Judiciary Committee, of which I am a member, confronts the complex issues of the balance between confidentiality and the use of advance technology in identifying criminals.

Mr. Chairman, I believe you will agree with me that OTA's work on these and many other critical issues has been extremely valuable to Congress. As an original sponsor of the Technology Assessment Act, I have been particularly proud of OTA and their work, and I urge your support for the FY 1990 budget request of $19.6 million. I hope you will look favorably upon this request.

OTA OVERVIEW

Senator KENNEDY. Both as Chairman of OTA, and as someone that has utilized the various reports of the OTA, we come here today to ask for your support for the budget which we have requested. And we invite the members of the Appropriations Committee to review the works and the reports of the OTA.

As you know, Mr. Chairman, the Office of Technology Assessment was established in 1972 to advise the House of Representatives and Senate about the impacts of technology on legislation, and legislation on technology.

As the principal sponsor for the legislation in the Senate, I recognized the need for an impartial agency to consider the public policy impact of various technologies. At the time, one example involved medical device legislation. This legislation was developed in the wake of 2,300 women who died from perforated uteruses because of defective intrauterine devices. And clearly we needed to, on the one hand, assure the safety and efficacy of medical devices and, on the other hand, ensure that we did not impose barriers against the introduction of new technologies.

Although we did not use the OTA in this instance, I think it is illustrative of the policy implications of new technology. In this legislation, we set up three different classifications for medical devices. You have a bedpan, for example, that obviously does not need to have rigorous regulation. And you go from there to a cardiac pacemaker, which requires careful and thorough review and evaluation prior to marketing approval.

We plan to revise the medical device legislation during the 101st Congress. We, as a committee, are very interested in knowing whether the kinds of regulations that are being required infringe upon the real progress in technology that could have a very important and significant positive impact on the health of the community.

We really do not want to get into a situation where, on the one hand, industry is saying this is one way you ought to go, and perhaps some other groups saying this is the way it ought to go. For those of us on the committee who are basically generalists, we need to be able to make really an informed or balanced judgment.

That was illustrative of the kind of concerns that I have in just one narrow area. I would like to bring to the attention of the members one other excellent report and how it resulted in legislative action.

In recent years, we have seen massive proliferation in the use of various polygraph tests. We have gone from a country which had approximately 50,000 polygraphs to 2 million per year, and that growth has been exponential in the last several years.

OTA did a very effective study in bringing together all of the various studies on polygraph testing. They brought in a very distinguished advisory group, as they do within all of the areas of interest. They reviewed the studies that had been done. They did their own analysis and published a very comprehensive report upon which bipartisan legislation was based, both in the House and the Senate, which was passed overwhelmingly in both bodies.

That is OTA at its best. And you can also see from some of the other work, such as the Alzheimer's disease study, which I can say, as the chairman of the Health Committee, is really the finest statement on the progress of research and treatment on the disease, the evaluation of the cost of the disease, and the prognosis on the number of patients suffering from Alzheimer's disease dementia.

There were a number of examples of OTA's fine work mentioned in the course of my testimony, Mr. Chairman, but I wanted to explain in one or two areas what the OTA is really about, and how, at least in one committee, we have been able to use its reports and use them effectively. And I think the legislative product was a good deal more effective than it otherwise would have been.

Finally, Mr. Chairman, the impact of science and technology is reaching a crescendo for us in the Congress. We have a number of committees that look at different aspects of the whole issue of how science impacts public policy. We see it in the Armed Services Committee, we see it in the Environmental Committee, and a wide range of just about every aspect of policymaking.

And we find increasing demands by these various committees to provide the best in terms of scientific evaluation and of the effectiveness of various technologies. And that capability for the Congress, I think, is absolutely essential.

I would just say as a last word, last evening we met with the members of the Carnegie Commission, and a number of the former science advisers to former Presidents, Republicans, and Democrats. And in their evaluation, they believe that how the Congress itself interfaces with scientific policy in a wide range of areas is really one of the real challenges in public policy. And they recognized, I thought, in a very complimentary way, the role of OTA as being a very important resource for Congress. And I think we are going to be working with them to try to ensure making the OTA a more effective organization.

I think the effectiveness of OTA is probably demonstrated best by the quality of the individuals that will serve on the advisory committees. You look over the various advisory committees that are drawn upon by OTA, you will find the tops in the private sector, public sector, and academic sector.

This is really one of the finest endorsements of OTA. Unless OTA was doing the kind of excellent work that we have come to expect, we would not be able to have that kind of involvement on the advisory committees by some individuals who are quite busy in their own work, and hard pressed in terms of their own priorities.

Maybe Jack Gibbons would be glad to respond to questions, and then——

Senator REID. Senator Kennedy, maybe—I do not know if you want to stay while we ask questions of your colleague who was seated with you. Otherwise, we would proceed to ask you a few questions and you could be excused.

Would that be better for you?

Senator KENNEDY. Yes; that would be better.

Senator REID. Senator Kennedy I am impressed with your statement. The work of OTA is something that I think is one of the high points of Congress.

The work that was done on Alzheimer's, the theme says it all, I think, "Losing a Million Minds." And I think that sometimes we need to do more to effectuate the findings. Figures clearly show that Alzheimer's disease research is underfunded compared to cancer and heart disease when measured by the cost to society and the number of persons affected.

Senator KENNEDY. $40 billion.

Senator REID. There is a reason that is so meaningful to me. Just after I came to Washington, I had dinner with the former president of the Alzheimer's Foundation. I will never forget that. He had a wife who had died of Alzheimer's and a daughter who had Alzheimer's.

And he proceeded to tell me that, unless we as a country do something about Alzheimer's, it will break us. We just cannot continue paying for the costs of maintaining those people who are physically in many instances very strong, but need the closest possible care because of their mental state.

And so we need to do more than have these great reports written. We as a body, after having that much information, ought to do something, and you would agree with that?

Senator KENNEDY. Yes; I certainly would.

Senator REID. I think also the candidate studies for this next year, that also says a lot about the importance of this organization. And we will, you know, in the questions of Mr. Gibbons, we will get into a lot of that.

But, Senator Kennedy, in addition to complimenting you for your good statement, and certainly underlining the importance of the OTA, I have a question.

What do you foresee as the major technology policy issues over the next several years, you know, maybe even into the next century? What do you foresee in that regard?

Senator KENNEDY. I will let Jack Gibbons answer that specifically.

One of the concerns, though, is that OTA has always responded to various congressional requests, as originally intended. There may be a fair criticism, though, of OTA, that we have not sufficiently analyzed some of the newer kinds of technologies in order to better relate that capability and capacity to the Congress.

We have asked what I think has been a truly outstanding Technology Assessment Advisory Counsel to visit with the Technology Assessment Board in the fall to provide us with some guidance on this very proposition and to recommend how OTA can best relate to those kinds of new technologies in a way that they can be most effective in terms of the Congress.

But I want to say that we are conscious of the fact that we ought to be trying to hear from the various individuals who are on the cutting edge of new technologies, to try and give us better insight into what those technologies can mean.

Clearly, biotechnology is a new technology that has come on the scene only in recent years, and what it means in terms of health and a range of different areas is one of the most exciting new kinds of developments.

Recombinant DNA research is extremely exciting. Jack could probably give a more detailed response to the question of new technologies.

Senator REID. Don, do you have some questions of Senator Kennedy?

Senator NICKLES. We welcome Senator Kennedy's appearance before the committee, and also Senator Stevens, and we appreciate your enthusiasm for OTA. And I might have a question or two for Mr. Gibbons, but I do not have any for the Senator.

Senator REID. You are sure welcome to stay.

Senator KENNEDY. Thank you.

Senator REID. You are excused.

Senator KENNEDY. If you will indulge the committee to your question, Mr. Chairman, I remember a story that happened to my brother when he was an ensign in the Navy before he went to the Pacific and PT boats.

He was speaking to a group of workers in South Carolina about the dangers of espionage and sabotage, the dangers of fire in the factory. And he was explaining to the workers that if they saw a fire in the factory, they ought to determine the origin of the fire in order to know how to extinguish it. If the fire was from wood, put water on it; oil and gas, put CO_2 on it; electricity, put foam on it, but never put water on an oil and gas fire because it would spread and have disastrous results.

And when he finished, he asked were there any questions. A hand went up in the back of the factory, and the individual said, well, now, Ensign Kennedy, if there is a fire in the back of the factory, how are we going to know by looking at it whether it is made from wood, oil and gas, or electricity so we will know exactly what to put on it and what not to put on it so it will not spread.

Ensign Kennedy then said, there will be someone here next week who will talk on that very subject. [Laughter.]

And I am going to let Jack handle that one for me.

Thank you very much.

Senator STEVENS. Mr. Chairman, let me put my statement in the record and sort of echo what Senator Kennedy has said. We have served together on this OTA Board for quite sometime now. And we would like your consideration on the goals and plans of OTA as spelled in that statement.

I try to reiterate every year that I view this as shared staff. Sometimes we cannot get other committees to understand that. But if we really and truly share staff between the House and the Senate, we will reduce the total of taxpayers' cost in maintaining the ability to keep up with developing technology in our country. This is where the shared staff should be.

Senator REID. Senator Stevens, I think it speaks well of the work of OTA when we have two senior Members of the Senate, you and Senator Kennedy, come in here on the same occasion to say good things about OTA. And I think that that speaks a volume there because that does not happen very often.

So I appreciate it personally as chairman, and I know Senator Nickles as ranking member does too, that both of you took the time to come and add your stature to the work of OTA.

PREPARED STATEMENT

Senator STEVENS. Glad to do it. Thank you very much.

Senator REID. Your statement will be made a part of the record.

Senator STEVENS. Thank you very much.

[The statement follows:]

STATEMENT OF SENATOR TED STEVENS

Mr. Stevens. Mr. Chairman, I appreciate this opportunity to appear before you today in support of the Fiscal Year 1990 budget request of the Office of Technology Assessment.

As you know, each year Congress asks OTA for information on and assessments of a broad range of technical issues. As a member of OTA's Technical Assessment Board, and a member of the Committee, I would like to provide you with my perspective on OTA's operations. I will do so by focusing on two ongoing efforts concerning the preparation of today's youth for their adult responsibilities.

The Board recently approved an assessment of "Technologies for Learning at a Distance." Advances in technology have made it possible to broaden the variety and range of instructional programs available to students in remote locations, to distribute educational resources more broadly to all students, and to provide staff development for educators. A number of factors contribute to renewed interest in and application of technology for distance delivery of instruction. Distance learning projects currently reach only a small proportion of students and cover limited curricula.

The Star Schools program recently enacted by Congress is an example of efforts to expand distance learning services. While it is too soon to evaluate the impact of this program, these efforts and others can provide useful information. They will help us understand the varying needs and access by region, state and locality; teacher certification, curriculum and textbook requirements, and student and teacher evaluation requirements; funding and financial arrangements; new boundaries for classrooms that can be linked regionally and nationally; and technological alternatives and tradeoffs. Although responsibility for instruction resides principally with local and state agencies, national interest in improving the quality of education, increasingly effective interactive technologies, and limited resources make this an issue of strong Congressional interest.

The objectives of this study include: 1) reviewing various technological options, their costs, effectiveness, and tradeoffs; 2) examining use of distance delivery systems, with specific attention to financing and organizational arrangements; curriculum, teacher certification and study evaluation; and new roles for teachers and students; and 3) identifying changes in federal, state, and local roles and policies to encourage more efficient and effective use of technology for distance learning.

The productivity of adults in our society depends upon good health as well as good education, and with this in mind the Board recently approved an assessment of "Adolescent Health." Adolescence is a significant period for physical, psychological, cognitive, and social development, and thus an important time for health interventions. Violence and trauma, substance abuse, suicide, teenage pregnancy, sexually transmitted diseases, and chronic physical disabilities and handicapping conditions are among the critical health problems faced by adolescents.

This project will assess the health status of adolescents and identify factors that put adolescents at risk for health problems or protect them from such problems. The project will address the special needs of rural youth and racial and ethnic minorities. This is particularly important in my state. Alaska Natives have especially serious problems and needs. Particular attention will be paid to the availability, effectiveness, and accessibility of health services for adolescents, including financing, coordination, and legal aspects of access. Available data on adolescent health status will be assessed, and the nation's agenda for research on adolescent health and behavior will be critically reviewed.

Mr. Chairman, I believe that both of these projects will be particularly valuable to Congress, and I have a particular interest in both because of their implications for Native Americans. The study on Adolescent Health is also notable because it represents a joint venture between OTA and a private sector organization, the Carnegie Council on Adolescent Development. Together these two organizations should produce a report that joins the key thinkers on this issue. These two OTA reports represent only a fraction of OTA's total work product. I fully support OTA's budget request of $19,655,000, and I hope you will look favorably upon this request.

IMPACT OF SCIENCE AND TECHNOLOGY ON BUDGET DECISIONS

Senator **Reid**. Mr. Gibbons, you are welcome to summarize your statement. We will make your full statement a part of the record, and then we have a number of questions we would like to get into with you, not the least of which is the last remark Senator Kennedy left for you to pick up.

Mr. **Gibbons**. Thank you, Senator.

I do not need to remind either of you of the fact that Congress is facing multibillion dollar appropriation and authorization decisions. Hundreds of those kinds of decisions. And it seems to me that the evidence is strong that the overwhelming majority of them here in the late eighties contain important considerations of science and technology.

Since I came here 10 years ago, the science and technology components of these big decisions have grown rapidly.

In addition, there is inherently a lot of conflict and disagreement, even among the experts, about these issues, whether they be about global climate change or the rational use of medical technologies, about defense systems, education and training, nuclear energy, or health effects of an industrial society. All these contain vexing issues. We are beginning to understand that just because you know a lot about something does not mean you necessarily have full technical agreement.

As Senator Kennedy has pointed out, OTA's role is to help the committees resolve or reduce these conflicting claims and, therefore, make a seedbed for more productive decisions by policymakers.

Committees receive information from a lot of different sources, quite properly so. But most of their information comes from advocates, people with certain perspectives on an issue and with certain solutions in mind. Sometimes advocates may come in the guise of scientific objectivity. There was a recent incident, for instance, of a senior member of NASA giving testimony, but also complaining that his report was not how he felt himself personally as a scientist. We have to be careful about that.

OTA HELPS FOCUS THE DEBATE

OTA, with its strictly bipartisan representation, attempts to be Congress' mechanism for figuring out why experts disagree or take different positions. OTA attempts to clarify these different positions and, thereby, help focus the argument.

A second major role for OTA is to watch and report on emerging developments in science and technology, such as the biotechnology that Senator Kennedy talked about today, the new developments in neuroscience, high-temperature superconductivity, ways to harness nuclear fusion. By keeping a weather eye on what is happening and analyzing possible impacts on governance, OTA helps to keep Congress aware of those implications, in other words, provides some foresight for Congress.

I think it was Senator Moynihan who once said that we can all have our own opinions, but we cannot all have our own facts. We try to help distinguish between those two.

OTA's work, as you know, Senators, runs the full gamut of science, technology, and public policy. In 1988 we served directly some 80 different committees and subcommittees, and that is up from about 20 committees and subcommittees a decade ago.

OTA IS A SHARED RESOURCE

We are a shared resource, as Senator Stevens pointed out, across the aisle, as well as across the two sides of the Hill. OTA is overseen in a very frequent and substantive way by the Technology Assessment Board, which now meets approximately every 6 weeks.

We believe that our work is best accomplished with a relatively small staff, flexible but highly skilled and multidisciplinary. The staff is supplemented by temporary appointments, by contractors, by details from downtown from time to time, and by heavy interaction with outside stakeholders and experts, as Senator Kennedy mentioned.

As I pointed out to you last year, Mr. Chairman, we may have been too successful, because we are increasingly overloaded with requests for help. We enjoy requests for help, but we regret the extent of the overload, because most of the requests are clearly meritorious of a careful and thoughtful response. If anyone is ever overloaded, it is a U.S. Senator, but OTA comes in second, I think.

RESPONSES TO OVERLOAD

We respond to overload in a variety of ways. Frequently we refer requests to other sources of information that we are fairly sure can fill the requester's needs.

We sometimes must reject a request as totally outside our specific area of expertise. We try to refer them to people that have that capability. We sometimes defer, saying that we cannot take it on now, but would like to be able to help out in the months ahead if we can arrange our work to do so.

We merge requests. We are often approached by several different committees on essentially the same issue, or complementary pieces of a broader issue. We work with the committees to try to merge those interests into a single comprehensive activity. Our Board prefers activities that address a multiplicity of committees and issues all in the context of a single study.

We sometimes respond with partial or special responses. You will note in our budget that we identify special responses. These are situations in which we already know a fair amount about an issue and can satisfy the request with a limited response that may take months rather than tens of months; that may take tens of thousands of dollars instead of hundreds of thousands of dollars. Senator Kennedy mentioned our work on polygraph, which was one such example of a limited response in an area.

Finally we have our full assessments, which the Board must approve in advance. They are almost always requested by a chairman and ranking member of at least one committee and typically several committees. These major studies not only provide Congress with the definitive piece of work on that issue, but also provide us, I would say, with a warehouse of information that we are able to later mine as that issue may reappear before Congress.

DEFERRAL SOMETIMES RESULTS IN MANDATES

One problem with referring and deferring and making partial responses is that some of the committees are unhappy with this and are tempted to come back with a mandated study. That, of course, bypasses both the appropriations process and our Technology Assessment Board. We strongly resist mandated studies, whether accompanied by extra funds or not. And we understand that this is also the preference of the Appropriations Committee.

With the assistance of the Technology Assessment Board and the Technology Assessment Advisory Council, and with the cooperation of the committees, we apply a variety of criteria to help sort out these various requests coming to us. OTA does not make a unilateral decision; we use our extensive network to get the best sense of how to respond.

The criteria used include the extent of serious committee interest, the extent of bipartisan interest in the issue, the degree of technical controversy that surrounds the issue, and the availability of relevant information. For example, we were asked a number of years ago to tackle the issue of global warming, but we demurred because we felt at that point that there simply was not enough information to make it sensible to do a policy-oriented study of global warming at that time.

We also have to examine the likelihood that our work has a chance to help focus the debate, and the likelihood of important implications of a technological development.

My written testimony, Mr. Chairman, provides a number of examples of how OTA's work was used in 1988, and I will not repeat those before you today. The examples include use directly by Congress and also, in some cases, directly by the executive branch.

OTA PRODUCTS ARE USEFUL OUTSIDE THE FEDERAL GOVERNMENT

I should add also that the products have turned out to be useful elsewhere, in private business, in State government, and in areas of higher education. We have become a kind of a congressional showcase for linking stakeholders and experts on the one hand, and their sort of integrated wisdom to the needs of the elected officials and decisionmakers. And we are frequently visited by people from other countries for this particular reason. For example, tomorrow the science advisor to Prime Minister Margaret Thatcher will be visiting us for the second time.

Last year we served about 80 committees. We are the smallest of the legislative branch agencies, both in staff and in budget, but last year 8 of the 103 so-called notable Government documents that were recognized by the Government publication, Review Journal came from OTA. That gives us a good sense that based on external judgment on the quality of the work, OTA stands well among its colleagues.

I think, because of the shortness of time, I will not review any of our specifically completed work, Mr. Chairman. I would be happy to answer any questions on that. I think you might be interested in the work that we completed on seismic verification.

OTA'S WORK ON GLOBAL WARMING

I would only mention briefly that our current work includes global warming; the defense technology base report which will be released on Monday; a variety of studies related to energy, to neuroscience, to municipal waste management, to pesticides and ground water quality; verification technology as related to the START negotiations; the issue of whether radiation is released at the Nevada test site, which work is nearly completed, and I know of your interest there.

The scope of our work includes an enormous range of science and technology, reflecting the breadth that you gentlemen have to deal with when you are making national decisions.

Now, finally, gentlemen, with respect to our resources. OTA's resources are of multiple types. Obviously money is a major resource for the agency. But so too are staff and good will, that is the concern and interest and help of the committees and other Government and non-Government entities. But, of course, happiness cannot buy money. And our funding simply has not kept pace either with the demand for new work or with the expected level of output.

In terms of demand, there is, I think, good evidence of the spreading interest and need for this kind of help to good government.

HOW TO INCREASE OUTPUT IN LEAN YEARS

In terms of our output, productivity has been our salvation for a number of years. Our staff's energy and expertise and versatility, and now experience has been a mainstay in helping us produce more each year.

There was a restaurateur in Brussels who said if you want to stay even in this business, you constantly have to improve. And we feel the same at OTA.

The extent of outside interest and the extraordinarily capable people that are willing to help OTA help Congress is, I would not say a secret weapon, but it is a major weapon of our agency.

Computerization and use of advanced information technology has been a wonderful help to us over these past 5 years or so to increase our productivity, which means both quality and response time.

And, finally, we have been able to engender a lot of cosponsorship, of joint ventures. For instance, the Carnegie Corp. is carrying out some work in close cooperation with us on our work on adolescent health. Without that Carnegie co-ventureship, we would not be able to complete the task assigned us by Congress.

We have a number of contracts carried out by universities and the private sector for a nominal fee. The dollar a year type person has been helpful to us. We have the use of free graduate students from Stanford and Harvard and other leading universities. These all help, but they ultimately cannot substitute for our financial resources.

As I stated last year, our contracting capability——

Senator **Reid**. I think we have heard enough. Let us get into some questions.

PREPARED STATEMENT

Mr. **Gibbons**. All right, sir.

[The statement follows:]

STATEMENT OF JOHN H. GIBBONS

Overview

What can be done about AIDS? Can we slow global warming? What is the future of the manned space program? Can the U.S. sustain a competitive edge in emerging industries such as superconductivity and biotechnology? What are the implications of the reports about "cold fusion"? Congress must not only understand and address these issues, but also frequently must act under conditions of imperfect knowledge. Science and technology figure prominently in such questions, yet what scientists can state with certainty is not, unfortunately, all that Congress needs to know. That's where OTA comes in.

Experts disagree (e.g., there are scientists on both sides of the SDI debate). Stakeholders make conflicting claims (e.g., consumer groups and electric utilities often differ on energy pricing and nuclear power). OTA explores complexities such as these and tells Congress why ... we show the areas of agreement, explain the bases of disagreement, and describe options for legislative action. To assure quality, accuracy, and fairness for each different assessment it undertakes, OTA convenes an advisory panel composed of the experts and stakeholders on the issues being studied: these advisers range from academicians to industrial scientists, from private entrepreneurs to public interest advocates. Given this diversity of views, the OTA staff and the panel very quickly are able to identify and set aside those factors on which there is general agreement, the scientific certainties; then the real work begins.

Reasonable people of various philosophies may well approach S&T policy issues differently, but debates are more meaningful and choices better considered when facts are clearly distinguished from speculation, and when "truth" and "belief" are delimited. As it explores the nature and implications of complex technology, OTA identifies areas of consensus, describes uncertainties and disagreements, and charts several possible legislative courses through the assessment issues. In other words, our studies help to focus congressional debate.

The bipartisan, bicameral Technology Assessment Board - a critical element in OTA's reputation for objectivity - has approved studies for the coming year that consider the short- and long-term consequences of technological development: from monitoring the Nevada test site, to maintaining the defense technology base; from copyright and home copying, to information technology and research; from managing municipal solid waste, to understanding and responding to climate change. OTA will also conduct new analyses and provide follow-on information from completed assessments, working with committees to help Congress understand the potential impacts of new technologies as well as the opportunities and problems associated with technologies currently in use.

Fiscal Year 1990 Request

Belt-tightening has become intense in this country. When Congress sets budgets now, they are no longer sorting wheat from chaff, but are also having to cut meritorious activities. That situation makes it critical that Congress receive unbiased and expert information about the impact of alternative decisions.

OTA is acutely aware of the need for deficit reduction, and we understand the extraordinary need to be austere. But we are also aware that the resources provided to OTA are part of Congress's safeguard that the longer term prospects for U.S. society - defense, health, the economy - are not unattended amid difficult near term legislative budget issues. OTA operates as a shared resource of Congress in the search for a means to cut programs with minimum damage. OTA's analyses address the critical issues in science and technology policy now before the Congress that form the basis for this nation's future security, productivity, and well-being. That is why we look to the Appropriations Committee for support of a restoration of a portion of OTA's lost contracting ability even in the face of major spending and saving decisions on the part of Congress. Indeed it is because of the pressures to do surgery on the federal budget that OTA needs the resources that will make it a sharp scalpel.

For Fiscal Year 1990, OTA is requesting $19,655,000. This budget will permit us to recoup a portion of the flexibility we have lost in contracting capability that makes OTA's work unique and invaluable. This increase of $1.7 million over FY 1989 would significantly improve our ability to make timely and accurate responses to congressional requests in the face of growing costs.

Recent Accomplishments

During FY 1988, OTA published 20 assessment reports and 11 special reports. OTA also delivered 1 Technical Memorandum and 6 Background Papers (including 1 Case Study). (See pages 85-96 of the Justification of Estimates [JofE].) As of September 30, 1988, 35 studies were in progress and 4 were in press. (See pages 100-141 of the JofE.) **During the year, OTA served over 80 different Committees and Subcommittees of both houses, typically in response to bipartisan requests.**

As an integral part of carrying out assessments, OTA also provides, during the course of a project as well as after its delivery, expert advice, briefings, testimony, and results of OTA assessments to Committees matched to their specific needs and the Congressional agenda. (See pages 142-148 of the JofE.)

The reports represent comprehensive synthesis and analysis on some of the most controversial and costly issues faced by Congress ... covering, for example, waste reduction and management, international trade and technology transfer, the future of American agriculture, education, the technology for defensive weapons, health care cost containment, and the future of biotechnology. These studies directly reflect the expressed needs and priorities of Committees of House and Senate.

Effectiveness of OTA

While the principal use of OTA is by the Congress, it is not uncommon for OTA reports to have a direct impact on Executive Branch activities, for instance: Several offices have noted the value of OTA's report, Power On! New Tools for Teaching and Learning, to their programs, including the Federal Interagency Committee on Education, the Undersecretary of the Department of Education, the Education Research Library, and the Office of Studies and Program Assessment of NSF. The Federal Aviation Administration used OTA's report, Safe Skies for Tomorrow, as guidance in reorganizing its research programs, and OMB used information from Safe Skies and its companion report, Gearing Up for Safety, in preparing position papers. Senior staff of the National Technical Information Service are using OTA's report, Informing the Nation, as a central point of reference in developing plans for the future of NTIS in response to congressional directives. The African Development Foundation implemented the findings of OTA's report, Grassroots Development: The African Development Foundation, in eight substantive areas, and the Agency for International Development has used OTA's assessment methods to evaluate development assistance projects in Nepal and Burkina Faso. Based on the profile of the biotechnology industry presented in U.S. Investment in Biotechnology, the Internal Revenue Service consulted with OTA in their development of specifications for auditing biotechnology companies, and the Federal Emergency Management Agency consulted that project's staff in planning for medical readiness and options for creating incentives for pharmaceutical production in the event of a national emergency. The U.S. Department of Commerce used OTA's report, Technologies for Historic and Prehistoric Preservation, extensively in the design of its cooperative agreement with the State of Maryland to preserve underwater archaeological sites. OTA worked closely with the National Science Foundation to initiate a survey of nearly one thousand U.S. and Japanese firms involved in superconducting materials research and applications development. OTA briefed President Reagan's "Wise Man Group" and the Air Force Scientific Advisory Board on the results of our work on high temperature superconductivity commercialization. OTA participated in a meeting organized by the Office of Science and Technology Policy for the Department of State to plan implementation of the U.S.-Japan Bilateral Science and Technology Agreement. OTA's assessments, Serious Reduction of Hazardous Waste, and From Pollution to Prevention: A Progress Report on Waste Reduction, and extensive follow-on activity has helped to influence EPA to form an Office of Pollution Prevention. Vice President Bush's Task Force on Border Control requested and received background information and additional reports to supplement OTA's 1987 study, The Border War on Drugs.

Of course it is gratifying when the Executive Branch responds directly to OTA reports. But our analyses are meant to assure that Congress hears a full range of views on complex technological issues. Listed below are several examples of direct legislative use of OTA's work:

1. The findings of OTA's report, Advanced Materials by Design, were used extensively in the context of hearings on oversight of the National Critical Materials Act of 1984 convened by the Subcommittee on Transportation, Aviation and Materials, House Committee on Science, Space and Technology and by the Senate Committee on Commerce, Science, and Transportation. OTA's report provided an important perspective for the committees' evaluation of the role of the National Critical Materials Council in coordinating Federal agency materials research and development.

2. During floor debate on H.R. 3048, the National Superconductivity and Competitiveness Act of 1988, the Chairman of the House Committee on Science, Space, and Technology quoted, from Commercializing High-Temperature Superconductivity, OTA's finding that "Japanese companies could well come out ahead in the race to commercialize

superconductivity." This report was also the subject of testimony before the Senate Committee on Governmental Affairs and was highly commended by the Chairman.

3. OTA's work on Superfund Implementation was cited, by the Chairman, as particularly valuable to the oversight efforts of the Subcommittee on Superfund and Environmental Oversight, Senate Committee on Environment and Public Works. OTA assisted congressional oversight efforts by testifying at 6 Senate and House hearings, and OTA continues to be asked to review newly issued EPA studies on specific Superfund sites.

   OTA's other work on hazardous waste management, particularly Serious Reduction of Hazardous Waste, was influential in Congress's decision to appropriate special funds for EPA's waste reduction activities, including special R&D funds and a State grants program.

   In his support of H.R. 2020, Senator Lautenberg portrayed Title III of the bill, the Waste Reduction Act of 1988, as directly responsive to OTA's 1987 report, From Pollution to Prevention: A Progress Report on Waste Reduction. The Senator stated that, "The Waste Reduction Act addresses the information shortcomings identified by OTA and provides the legislative backbone for a source reduction program." OTA's found that: 1) a 10% reduction for each of the next 5 years is achievable; 2) source reduction efforts proceed slowly because industry lacks information about the opportunities and benefits of hazardous waste source reduction; and 3) EPA has been slow to recognize the importance of source reduction, were also cited.

4. The Chairman of the House Committee on Armed Services cited OTA's report, New Technologies for NATO, as an example of the importance and value of OTA's studies, in that "they often provide a valuable synthesis of technical material contained in a wide variety of studies by the Executive Branch, the military services, and their contractors." That Member's views were mirrored by many officials in NATO, the U.S. military, and other Executive Branch offices.

5. OTA issued a special report, U.S. Textile and Apparel Industry: A Revolution in Progress, that was cited extensively during floor debate on the Amended Textile and Apparel Trade Act of 1988, particularly the finding that "despite the optimism made

possible by technical progress, U.S. textile and apparel firms are in danger ... in spite of these remarkable advances, the industry is gravely threatened."

6. The Chairman of the Subcommittee on Natural Resources, Agriculture Research, and Environment, House Committee on Science, Space, and Technology, introduced the National Biological Diversity Conservation and Environmental Research Act stating that it reflects the recommendations of OTA, in Technologies to Maintain Biological Diversity, by: 1) establishing the conservation of biological diversity as a national goal; 2) creating a National Center for Biological Diversity; 3) requiring impacts on biological diversity to be included in environmental impact statements; and 4) requiring a coordinated federal program for maintaining and restoring biological diversity in the United States.

   The House Committee on Science, Space, and Technology noted in its request letter to OTA for a study of the role of U.S. universities in providing technical assistance to Third World agriculture and natural resource management and conservation that: " The OTA report, Technologies to Maintain Biological Diversity, was extraordinarily helpful to the Committee in its work on the issue of preserving biological diversity."

7. OTA's work on New Developments in Biotechnology: U.S. Investment in Biotechnology was cited by the Chairman of the Senate Budget Committee, in debate on S.1966, the "Biotechnology Competitiveness Act of 1988." This bill passed the Senate 88 to 1. The OTA report was also referred to in mark-up of H.R. 4502, the "Biotechnology Science Coordination and Competitiveness Act of 1988" by the Chairman of the Subcommittee on Natural Resources, Agriculture Research and Environment of the House Committee on Science, Space and Technology. OTA testified during hearings on that bill held July 14, 1988. Although this bill failed to reach a full House vote in this Congress, similar versions are expected to be introduced in the next Congress. It is likely that the OTA report will be influential in the development of that legislation.

8. Because of expertise developed by OTA staff through continuing work on problems associated with Alzheimer's disease and other dementias, the Director of OTA was required in 1987 by P. L. 99-660 (the Omnibus Health Act), to appoint a citizens

advisory panel on Alzheimer's disease to advise the Secretary of DHHS, an interagency Council on Alzheimer's Disease, and the Congress. That panel has been working on recommendations to be presented to Congress and the Department of Health and Human Services in the areas of support for biomedical research, health services research, and long-term care. As currently drafted, many of the recommendations expand upon policy options suggested in OTA's report, Losing a Million Minds: Confronting the Tragedy of Alzheimer's Disease and Other Dementias.

Based on Losing a Million Minds, OTA staff prepared a brief summary of Federal biomedical research expenditures for Alzheimer's disease, cancer, and heart disease; relative costs to society of these diseases; and the number of persons afflicted with them. The figures clearly show that Alzheimer's disease research is underfunded compared to cancer and heart disease when measured by costs to society and persons afflicted. This information was used by staff of the House Special Committee on Aging in considering possible changes in NIH medical research allocations.

9. OTA's report, Copper: Technology and Competitiveness, was extensively referenced in the debate on whether to add copper to the Steel and Aluminum Energy Conservation Act of 1988, which promotes joint government and industry research and development efforts.

10. The Chairman of the Subcommittee on Oversight and Investigations, House Committee on Energy and Commerce, said of Pesticide Residues in Food: Technologies for Detection: "[OTA] evaluated a large volume of highly technical information in a very short time frame, and they succeeded in presenting their findings and options in an exceptionally clear manner. I expect that this report will play a valuable role in deliberations on food safety legislation in the 101st Congress. In addition, I believe that the report will enhance communication on pesticide detection issues among Federal agencies, state agencies, foreign governments, private industry, and academia and serve as a catalyst for reform." This report was sent directly to the FDA by OTA as a source document for their congressionally mandated rethinking of the pesticide testing program.

11. OTA's work on polygraph testing was cited extensively in debate that led to passage of the Employer Polygraph Protection Act of 1988 (P.L. 100-347), which prohibits any employer from using any lie detector test or examination in the workplace, either for pre-employment testing or testing in the course of employment.

12. OTA's report, The Quality of Medical Care: Information for Consumers, was the subject of a hearing on June 6, 1988, before the Subcommittee on Natural Resources, Agriculture Research and Environment of the House Committee on Science, Space, and Technology. The Chairman and his staff used the OTA report as the departure point for questioning consumer organizations, patients, federal and state officials, and physician and hospital organizations about ways of measuring the quality of physicians and hospitals and about steps that the federal government might take to improve information available for consumers.

13. The Chairman of the Committee on House Administration commended Informing the Nation: Federal Information Dissemination in the Electronic Age as a document that provides "the Congress with an overview of problems and opportunities for information policies that will be most useful to [the Congress] as we enter this new age of technology, and begin the third century of the United States Congress."

    The Joint Committee on Printing used the OTA report in deliberations on pilot tests for the Depository Library Program and policies for GPO involvement in electronic publishing and dissemination.

    The House Committee on Appropriations cited the OTA study with respect to Depository Library Program issues addressed in the Legislative Branch Appropriations Acts of Fiscal Year 1988 and 1989.

    The House Committee on Science, Space, and Technology used the OTA study and related OTA testimony in deliberations and legislative activity on the NTIS privatization proposals.

14. The 1988 budget conference report quoted extensively from OTA's study, Hospital Information Systems at the Veterans' Administration, and the committees made use of

several OTA findings, evident in: 1) a decision to require regular updates on any slippage or schedule changes in implementing the Decentralized Hospital Computer Plan (DHCP); 2) a decision to make funding contingent upon order entry/results reporting working satisfactorily in a high transaction environment and initiation of a suitable long-term planning process; and 3) a stated plan to incorporate OTA's long term planning recommendations, including the formal involvement of outside experts to assist in providing recommendations and evaluation of options for the next generation of automation.

15. OTA's staff paper, "Vital Signs for Medical Waste Management," was cited by the Chairman and Ranking Minority Member of the House Committee on Science, Space, and Technology as "the best study, to date, on the problem of management of infectious hospital wastes." The Chairman of the Subcommittee on Regulation and Business Opportunities, House Committee on Small Business, made the paper the focal point of hearings on the treatment and disposal of medical wastes, stating that the paper "is particularly significant in being the first to address the national nature, scope, and cause of the emerging infectious waste problem." Both committees have requested additional work by OTA on the subject.

16. A bill to ban the manufacture of certain plastic guns that could pass undetected through security devices was passed by the Congress and signed into Law in October 1988. Throughout the two-year Congressional debate on this issue, the 1986 OTA staff paper dealing with the technology of plastic guns was cited in Congressional letters, hearings and reports.

17. During debate on the education benefits provided by S. 2011, the Veterans' Benefits and Programs Improvement Act, OTA's assessment, Safe Skies, was cited to the effect that, "An OTA report issued in July of this year indicates that, in the next decade, about 32,000 jet pilot jobs and up to 20,000 non-jet regional airline pilot positions will need to be filled. As soon as 1992, we will likely have a shortage of over 4,000 commercial and instrumental pilots. By the year 2010, an estimated 240,000 pilot positions will need to be filled."

Public Law 100-591 contains a requirement for the Federal Aviation Administration to undertake a human factors research program and authorizes $25 million for that effort, a requirement taken directly from Safe Skies. The law was a joint effort between members of the House Committee on Public Works (from testimony of June 2, 1988) and the House Committee on Science, Space, and Technology (from testimony of April 8, 1988). In the Senate, members of the Subcommittee on Aviation of the Committee on Commerce, Science, and Transportation took the lead, based on testimony given April 20, 1988.

18. The assessment Power On! New Tools for Teaching and Learning (including the staff paper, workshops, and OTA testimony and briefings for Committee staff) assisted in the development of several key provisions in the School Improvement Act (Public Law 100-297). These include specifying the acquisition of computer hardware, software, and related materials as one of five priority areas for use of Chapter 2 funds, and encouraging the use of technology in magnet schools programs and bilingual education programs (Reference to OTA findings p. 80 of the Committee Report, School Improvement Act of 1987, H.R. 5, Report No. 100-95, May 15, 1987).

OTA testimony on the Computer Education Assistance Act of 1987 (S. 838), before the Senate Subcommittee on Education, Arts, and Humanities of the Committee on Labor and Human Resources (August 4, 1987) supported Federal funds for computer hardware and software acquisition, technology planning at the school level, teacher training, and educational technology R&D. These components were incorporated into provisions of the School Improvement Act and the Trade Act. Power On! was used and cited extensively in the Report of the House Subcommittee on Select Education of the Committee on Education and Labor on "Educational Research, Development, and Dissemination: Reclaiming a Vision of the Federal Role for the 1990's and Beyond" (draft, dated September 1988). In addition, OTA testified at the Subcommittee's hearing on September 29, 1988.

(See pages 30-32; 45-51; and 63-67 of OTA's FY 1990 Justification of Estimates for additional examples.)

Work in Progress

The most controversial and complex issues facing Congress are often the subjects of OTA's work. OTA is currently engaged in over two dozen assessments, including studies of:

1. High-Temperature Superconductors: Research, Development, and Application/Commercialization - The discovery of high-temperature superconducting materials offers potential for many fundamentally new technological and market opportunities in electronics, sensors, electric power, and other applications. Since early 1987, scientists have made rapid advances. Some applications may appear on the market in a few years but others will require many years of development.

   Congressional interest focuses on rapid, successful commercialization of superconductivity applications. This assessment will identify potential opportunities and the technical and economic barriers to achieving them. OTA staff will analyze the response of the federal government and U.S. industry to this unforeseen discovery. A successful national response to the breakthrough in superconductivity may serve as a model for dealing with any rapid technological change offering competitive, commercial possibilities. A comparison of the U.S. response and that of Japan, Western Europe, and other countries will be made. Finally, the report will present options for accelerating the commercialization of high temperature superconductivity. The project is being done in two phases. The first phase, focusing on commercialization, culminated in the delivery of a report in June 1988.

2. New Developments in Neuroscience - Neurological disorders affect 50 million Americans every year. These disorders range from simple disorientation resulting from jet lag to loss of sensation or movements in an arm or leg to the total mental and physical incapacitation that results from degenerative conditions like Alzheimer's disease. Estimates of the costs of care, treatment, and loss of productivity due to neurological disorders run as high as $300 billion per year and are expected to increase as the population ages.

   In an effort to treat and prevent these disorders, scientists study the function and structure of the brain and nerve function in both health and disease. This broad area of scientific endeavor is known as neuroscience. The importance of this area of research is underscored by the fact that 25 Nobel prizes for medicine and physiology have been awarded to neuroscientists during the last twenty five years.

Recent advances in neuroscience research have enormous potential to improve the lives of millions of Americans. A number of topics in neurology that have the greatest potential to impact our society in the next decade will be examined in this project. These topics will include: 1) **Neural transplants and nerve regeneration**. The state-of-the-art in research and efficacy of this technology will be examined. Legal, ethical, scientific, and regulatory issues related to sources of material for neural transplantation will be evaluated. 2) **Biological rhythms and shift work**. Basic and applied research in biological rhythms and new applications to worker's scheduling, particularly in occupations overseen by the Federal Government will be described. In addition, the impact of chronic disruption of sleep-wake cycles of worker health, safety and productivity will be examined. 3) **Neurotoxity**. The current hazard of neurotoxins, the practices for neurotoxicity testing by private and public organizations, and the efficacy of these practices in identifying neurotoxicity will be analyzed. In addition, this analysis will identify areas where new advances in neuroscience research may be applied to neurotoxicity testing. 4) **Biochemical bases of mental illness**. This examination will include review of the current level of research in mental disorders. The scientific, legal, and ethical implications of new discoveries such as genetic markers for mental disorders will also be assessed. Development and efficacy of new pharmaceuticals to combat these conditions will also be addressed.

3. Climate Modification: Ozone Depletion and Global Warming - In the 1970's, widespread concern about depletion of the ozone layer around the earth's upper atmosphere led to a ban on chlorofluorocarbon use in aerosols in the United States (as well as Sweden and Canada). The issue retreated from the public view until 1985 when British researchers identified a hole in the ozone layer over Antarctica larger than the continental U.S. At the same time, concern over global warming - the "greenhouse effect" - was gaining attention. New sophisticated Global Circulation Models reaffirmed concerns that increased levels of carbon dioxide (CO2), combined with rising concentrations of other gases (methane, chlorofluorocarbons, and nitrous oxide), are likely to raise temperatures between 1 and 4°C by the middle of the next

century. Such warming will result in a rise in sea level and shifts in rainfall patterns, affecting both marine and terrestrial environments.

Until recently, stratospheric ozone depletion and the "greenhouse effect" were treated as separate issues. However, many gases participate in both phenomena. There is now general scientific consensus that human activities are affecting global climate. While many ongoing national and international efforts are underway attempting to quantify the magnitude and timing of these changes, policy responses that can be implemented to deal with such changes are still disputed.

OTA will characterize, economic sector by sector, the major contributors to climate modification. To the extent possible, we will identify areas where gains in efficiency, product substitution, conservation or other options can ameliorate ozone depletion and/or temperature increase. We will develop a matrix of possible short-term, medium-term, and long-term policy responses to these problems. As well, relative ease and expense of implementation will be evaluated.

OTA's Goals for FY 1990

What you don't know can hurt you. Whether the issue is investment in domestic infrastructure or unorthodox cancer treatments, advanced materials technologies or agrichemical pollution, the future or energy supply and demand or forensic uses of genetic testing, accurate and unbiased information is critical to congressional decisionmaking. In 16 years, OTA has worked with literally thousands of stakeholders on myriad issues. We anticipate that the issues on which we can serve the Congress during FY 1990 will be both diverse and controversial, almost always directly related to the difficult choices associated with strained resources. (See Attachment 1 for a list of candidate assessments for Fiscal Year 1990.)

OTA is proposing an FY 1990 budget that will permit the agency to hold the line against increased costs and undertake a small portion of our mounting backlog of requests, for we expect that demands for our assistance will grow. We hope to respond to much of that need with increased productivity, by careful design of the analyses, by merging of multiple requests into single studies, and by other mechanisms that will stretch our capabilities without significant erosion of the quality of the work. Without some budgetary relief, however, we will probably lose the last vestiges of our key flexibility - use of outside contracts to facilitate specialized analytical needs.

During FY 1990, OTA expects that it will be called upon by Senate and House committees for work on issues that run the full range of technology and policy. The influence of changing technology on cost containment, pollution control, national security, industrial competitiveness, employment, health, and constitutional guarantees such as privacy and property rights will intensify, and Congress will be forced to grapple with these issues. OTA will continue to be the common analytical resource to committees as they seek fuller understanding of emerging technology and the appropriate role of the Legislative branch.

ATTACHMENT I

Candidate Studies for Fiscal Year 1990

The 54 topics given in this list have been identified by congressional committees, OTA, and its advisers as typical technical issues that the Congress will face over the next several years ... issues in addition to those OTA has already addressed or is currently studying. Each topic is followed by a code indicating the current (Fall 1988) status of the request: a "1" indicates that a request letter is in hand or several extensive committee discussions have taken place; a "2" indicates that at least one committee discussion has taken place; a "3" indicates that the topic has been suggested by advisers but not yet discussed with committees. Of course, the list does not necessarily contain the assessments OTA will actually undertake in Fiscal Years '89 and '90 Note: 1) This list is not given in order of priority; and 2) the actual number of issues we can undertake as full assessments is no more than 1 in 4 or 5 of those listed. (See pages the sections beginning on pages 30, 45, and 63 of the FY 1990 Justification of Estimates for descriptions of the candidate assessments.)

Energy and Materials

- Energy and Developing Countries 1
- Technology and the Materials Intensity of the U.S. Economy 2
- The Limits to Conservation and Energy Efficiency 2
- Optical and Electronic Materials 2
- Future Directions in the Use of Metals 2
- Energy Systems Vulnerability 1

Industry, Technology, and Employment

- Corporate R&D and U.S. Competitive Success 2
- Foreign Investment in the U.S.: Black Cloud or Silver Lining? 2
- Skills for the Twenty-First Century 2
- Impact of Military Spending on Industrial Competitiveness 2
- American Industry: New Environmental Stresses, New Business Opportunities 3
- High Definition Television: Engine of Change for U.S. Competitiveness 2

International Security and Commerce

- Technology for Arms Control Verification 2
- Protection Against, and Control of, Chemical Agents 3
- Impact of Nuclear Testing Restrictions 3
- Evolution of the European Conventional Balance 3
- Defense Technology Base Follow-on 3
- Exploring Mars 3
- International Telecommunications Policy 3

Biological Applications
- Quality Assurance of Long Term Care of Elderly Citizens 1
- Keeping Older People in the Workplace 2
- Technologies for Drug Delivery 2
- Technologies for Weight Control and Physical Conditioning 2
- Biological Technologies to Support Humans in Space 3
- Risk Assessment and Risk Management in Regulatory Decisionmaking 3

Food and Renewable Resources
- Agricultural Market Development 1
- Technology for U.S. Rural Development 1
- Renewable Resource Planning Technologies for Public Lands 1
- Agricultural Technology Issues for the 1990 Farm Bill 1
- Forward-Looking Technologies for Locust Control 2
- U.S. and International Agricultural Approaches to Minimize Drug-Crop Production 2

Health
- The Costs of Pharmaceutical Research and Development 1
- Payment for Prescription Drugs Under Medicare 1
- Assessment of Evidence for Selected High Volume Medical Technologies 3
- Health Effects of Non-Ionizing Radiation 3
- Computers and Diagnostic Radiology 3

Communication and Information Technologies
- Telecommunications and Rural America 1
- Integrity Testing in the Workplace 1
- New Communication Technologies and the Electoral Process 2
- National Electronic Identifier 2
- Information Technology and Global Problem Solving 2
- Information Technology and the Delivery of Government Services 2

Oceans and Environment
- Waste Disposal at Nuclear Defense Facilities 1
- Impacts of Global Warming 1
- Medical Waste Management 1
- Shoreline and Coastal Land Use Management 2
- Nonpoint Source Pollution 2
- Technologies for Treating Potable Water 2

Science, Education, and Transportation
- Science Priorities and Research Decisions 2
- International Cooperation in Big Science 2
- Accountability and Conflict of Interest in Science 1
- New Tools for Teaching and Learning: An International Perspective 2
- System Needs for Commercial Aviation 1
- Freight Hauling and the Surface Transportation System 2

QUESTIONS FROM SENATOR REID

Senator REID. OK. Could you tell us for the record how you differ from CRS and GAO?

Mr. GIBBONS. The four agency heads meet regularly to assure that we remain complementary institutions with different kinds of skills and perspectives working on a common set of problems.

GAO obviously has to have a lot of independent initiation capability because it is the Government's auditor. It has a lot of independence, and because it is 30 odd times larger than OTA, it is a very different kind of an organization. They analyze whether or not the executive branch is carrying out the programs as developed and specified by the Congress.

CRS is the workhorse for every member and every committee in linking those individuals to sources of information. Usually their projects reach into the literature as it presently exists and simply get that literature or that information to the individual.

OTA's work is focused, first of all, on science and technology issues. Second, OTA works for committees under a formal arrangement of request by the Chair and/or ranking minority. And OTA carries out major, indepth studies, perhaps 2 dozen a year, rather than produce hundreds of brief papers as are carried out by CRS.

But we do link ourselves. This morning, at 8 o'clock, we had a call from GAO that was crosschecking with OTA to make sure that their new work would not duplicate what we were doing and to see if we could help them. We do this all the time.

Senator REID. And finding out that all three of you are doing the same thing.

Mr. GIBBONS. We feel we have a good buck and wing going, and it is a very effective operation at this point.

Senator REID. Why do you not answer the question now that I asked Senator Kennedy?

What do you see in the future as the major science and technology problems confronting this country?

MAJOR PROBLEMS CONFRONTING THE COUNTRY

Mr. GIBBONS. One of our advisors, Dr. Lewis Thomas, a famous physician from Memorial Sloane-Kettering, when he said the greatest discovery of the 20th century has been the discovery of the extent of human ignorance. I think the current pace of discovery is extraordinary, both about science and about ourselves and our institutions.

Discovery means new options, but it also means change and accommodation.

As we look into the nineties, Mr. Chairman, we see such things as the European community of 1992, a brand new institution, with research and development and other capabilities in science and technology that could transcend ours. I think we need to be looking very carefully at how that will affect the pace of science in our neighbor but competing nations.

We are seeing rapid changes in the Soviet Union and in China, indeed in almost all of the so-called closed economies. Technology is, in a sense, rapidly making obsolescent those kinds of economies.

It provides a lot of new opportunities, but I think it merits very careful watching.

Clearly there are going to be new developments in science and technology. There have been several major ones over the past 5 years. And if the past is any predictor of the future, there will be more in the future than in the past.

Global warming is an example of what the technical people call nonlinear change. It represents an increased interaction between people and their activities around the globe and, therefore, an increased necessity to better understand how this whole system works. We need to know how we can enjoy the fruits of all of these interactions and stay away from some big problems, such as global warming.

OTA KEEPS A WEATHER EYE ON TECHNOLOGICAL CHANGE

I think OTA needs to keep a careful weather eye on these developments and their potential implications for governance. At the same time, Mr. Chairman, I feel we always have to be very careful to understand that we need to go where Congress is going. When Congress' attention or priorities or concerns are shifting, we need to shift along with them because that is, after all, who we work for.

Senator Reid. Before turning over to Senator Nickles, I note that there have been several OTA studies on AIDS-related issues. And one of these studies dealt with the education as a means of prevention, the spread of this disease.

Later today, the Comptroller General and his prepared remarks will state: "GAO reports have cited education as an important preventive measure with respect to AIDS."

Well, based on our previous conversation here about working with GAO, and keeping them informed, and vice versa, could you tell us how your study in AIDS education compares or differs with the study of the Comptroller General, and why we needed multiple studies?

DIFFERENCES IN OTA AND GAO WORK ON AIDS

Mr. Gibbons. If the issue is large enough, as a member told me at one point, there is sufficient justification to look at the issue from several different perspectives, and see if it all comes out the same way. And, of course, we do approach things very differently from the two different agencies.

But, as I understand it, GAO's efforts on AIDS education have centered on examination of how certain Government programs are managed, particularly the HHS activities, including the CDC in Atlanta. GAO used OTA's work as background for their studies out of both the Program Evaluation and Methodology Division, and the Human Resources Division. The two agencies coordinated their work with each other and with the Senate Governmental Affairs Committee.

OTA looked more in depth at what is known about education for people with certain risky behaviors and for the general population. OTA has also hosted regular meetings of the sister congressional agencies to coordinate AIDS work.

The studies, as I understand it, are complementary in their outcome, namely that there is minimal overlap around the edges, and they basically go together to fill out the puzzle.

Senator REID. Thank you.

Senator Nickles.

QUESTIONS FROM SENATOR NICKLES

Senator NICKLES. Thank you, Mr. Chairman. Just a couple of quick questions. I know we have some other panelists as well.

How long have you been Director, Mr. Gibbons?

Mr. GIBBONS. More than twice as long as I thought I would be here, Senator. It will be 10 years in June.

Senator NICKLES. How many people do you have at OTA?

Mr. GIBBONS. We have 143 on our permanent staff, with a turnover of about 10 percent per year. And we make temporary appointments of people from the executive branch or universities or industry that are appointed from anywhere from a few months up to a period of the length of a study, which adds about another 50 people to the building.

Senator NICKLES. You do these studies in-house, or do you contract them out, or both?

IMPORTANCE OF CONTRACTING FUNDS TO OTA

Mr. GIBBONS. We do both. We used to do much more contracting than we do now. I have had to eat a lot of our contracting flexibility over the past 5 years or so to help pay for increased costs of doing business and the increase in direct costs of our own people, such as the FERS retirement and savings plans.

I am concerned about this slow erosion of the flexibility provided by our contracting capabilities. Formerly, Senator, a typical assessment would expend perhaps 40 to 50 percent of funds to contract for advisory panels, or special studies, or to get data otherwise inaccessible, or to accelerate the rate at which we could complete the work. That percentage has now fallen to more like 25 to 30 percent. Flexibility is a precious asset, especially for an agency with a small staff. Erosion of that flexibility presents a real problem, but I have not seen that I have had any alternative but to eat into that flexibility in order to hold on to my core staff.

Senator NICKLES. Last year, if I am looking correctly, you had about a 6.4-percent increase, and this year you are requesting almost a 10-percent increase which you are not the only one, but I told some other people coming before this committee, everyone is asking for figures a lot higher than what you are going to receive. I think you are probably aware of that.

So I was trying to figure out is this going to be done internally? Does that mean you just do commission less studies or——

Mr. GIBBONS. We will have to decrease our responsiveness in a variety of ways. One is to try to refer more work elsewhere. Unfortunately, there are not many other elsewheres around.

The second thing we will do is to merge interests into a single study, try to serve more people with the same study. We now have some studies requested by as many as one-half dozen committees.

That gets complicated in trying to form an agreed upon statement of work and the likes, but that will be one of our objectives.

Senator NICKLES. I can see, and I just looked through several of the studies that were performed or are in progress of being performed. And I could also see how you could be used to some extent to advance a legislative agenda.

Do you feel like that is the case sometimes, or is it requested, or even ongoing requests to work with the data that would be supportive of an agenda. Maybe it would be to advance legislative interests. Maybe it would be in the environment or maybe it would be in——

Senator REID. Would they stop testing at the test site?

Senator NICKLES. Or stop testing at the job site, or the polygraph Have you seen that type of thing happen very often?

OTA REMAINS ALERT TO ATTEMPTS TO POLITICIZE THE AGENCY

Mr. GIBBONS. Well, Senator, it is an important point you raise. OTA has to be aware of and understand the political process and political realities. But we must also know how to stay out of it. We try to understand the nature of the request. We carefully check with both sides of the aisle in every committee that asks us for work. If the ranking minority approaches us about a study, the next stop for us is to check with the majority side, and also go to the other body.

In doing so, we develop an understanding of the origin of the request, why they think they need the information, and when they need it. We try to match that to our timing and resources. Our first level of defense against misuse is that we try to carefully understand the nature of the request.

From time to time, although I am happy to say it is rare, we get a feeling we are being used. The strong support of our Board provides a bulwark to make sure that both the minority and majority interests are lined up. We try to get the request letter signed by representatives of both parties.

Senator NICKLES. Just by the two members of the appropriate committee then?

Mr. GIBBONS. That is a starting point. And then we go to the other committees of jurisdiction to let them know of this work that is being requested.

Senator NICKLES. Why do you not give us one example? I noticed in one of your studies it dealt with textiles. Well, you know, that was a very controversial issue, not so much on party lines but a controversial issue, right?

I know there are a lot of studies done on textiles, but I was just wondering. This is the first time I have reviewed individually the various reports. But I can see how people would request a study, take whatever information would happen to be pertinent to help them in their case, to help sell their case, and would use that to advance their cause. Somebody else conversely might take the same study and use some other information that could come out from it to advance their case.

And I am kind of interested if a lot of it—several of these had some legislative results or use, but I was kind of interested in how much of this was, you know, to advance some particular Congressman or Senator's agenda.

Mr. GIBBONS. Well, we attempt to treat everything fairly in a fully bipartisan way. We do not recommend a certain political outcome or decision. We try to provide options. And the options we provide, in a sense, describe the political landscape. We try to give the best arguments for all of the major points of view of our clients which covers a wide political spectrum.

OTA ANALYSES INFORM ALL POINTS OF VIEW

And we do find, from time to time, proponents and opponents of an issue on the floor debating each other and both quoting OTA's study. I was told by someone that that means maybe we got it about right, that we had given a clear discussion of the best cases to be made and, thereby, we helped elevate the level of debate.

Senator NICKLES. What is the average turnover for a study? I can see that they could vary significantly depending on the size. One on Alzheimer's may take a certain period of time. Global warming, something else.

Mr. GIBBONS. It varies. A formal assessment, with Board approval and all of the review processes and the advisory panel, typically takes a minimum of 16 to 18 months, and sometimes more than 2 years.

Senator NICKLES. Is the Board approval before the project is initiated?

Mr. GIBBONS. It is before the project is initiated. The Board asks me to provide them with a memo that tells them the background of the discussions with the committees, how the requests came about. They want to read the letters of request from the committees, and then we provide a proposal, giving time, cost, method of analysis, who else has worked on this issue, who else is working on the issue, and when we expect to complete the work.

The Board typically considers three or four of these at each of these meetings that are about 6 weeks apart.

Senator NICKLES. Thank you very much.

Mr. GIBBONS. Yes, sir.

ADDITIONAL COMMITTEE QUESTIONS

Senator REID. We have a series of questions that we will submit to you in writing.

Mr. GIBBONS. I will be pleased to respond.

Senator REID. We would like to take more time but we do not have it today.

Mr. GIBBONS. Well, I enjoyed the time with you. I know time is short, and we appreciate your attention and your consideration.

Thank you.

[The following questions were not asked at the hearing, but were submitted to the Office for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

Question: Please explain how you carry out your work plans? Do your permanent staff members take the lead on the assessments and other work that is done? How many jobs can 1 staff person supervise and control at any given time? On average, how many jobs can 1 staff person supervise and control in a year?

Answer: Full-time OTA staff manage OTA's assessment projects. Generally these project directors are members of OTA's permanent staff, but, on rare occasion, OTA has hired a temporary employee to direct a project in a subject area where inhouse expertise is lacking (e.g., Civilian Space Stations). A project director usually manages one assessment project at a time, which includes supervising a team of analysts, overseeing contract work, and directing preparation of the final report and a number of interim products, while retaining some responsibility for research and writing. Exceptional circumstances sometimes require a project director to manage more than one project (e.g., one person simultaneously managed OTA's assessments of New Developments in Biotechnology and Infertility), but as a consequence, little of that person's time is then available for actual analytical work. A project director retains responsibility for an assessment from planning through publication, which takes, on average, from one and one-half to two years.

Question: You are requesting a 4 percent increase in funding for temporary employees. Please explain.

Answer: OTA supplements its permanent staff with temporary appointments and other resources (e.g., contractors, fellows and detailees) to provide the expertise to carry out its projects. The intent has been to search for the best outside people for the task at hand; thus recruitment is pinpointed to suit the needs of a specific project. This assures the quality of our work and maintains the technical expertise to meet changing needs of Congress while still providing continuity and institutional memory. OTA's policy is to appoint temporary employees with a definite end date no later than the anticipated completion date of the assigned assessment. The number of temporary appointments has not varied significantly over the last five years, ranging from 55 to 61. OTA estimates that a 4 percent increase for temporary staff will be necessary to meet the market to attract and retain outside expertise of the quality required.

Question: You mentioned in your budget justification that during fiscal year 1989, you expect to complete the creation of an agency-wide computer system. Please discuss the benefits in terms of productivity gains you expect to accrue from such a system. How much will it cost to begin such a system? What type of system will you require and how did you decide among the alternatives available? What is your acquisition strategy? Are you procuring hardware and software or are you making use of a systems integrator?

Answer: OTA is in the final stages of a ten year effort to enhance productivity through procurement of appropriate state-of-the-art office technology. During these years, OTA has progressed from intelligent typewriters and stand-alone word processing stations to an integrated LAN environment. Particular attention was focused on the installation of a publishing system integrated with our analysts' output which produces electronic transmission to GPO for printing. The conversion of remaining pieces of obsolete NBI to IBM-compatible PCs -- a three year process near completion -- represents the last major phase of the OTA plan.

We have realized significant productivity gains from the integrated environment. As hardware was retired or outdated, we upgraded our equipment thereby gaining increased speed, accuracy, cross-sharing capability, electronic mail and graphics interface necessary for our publication-intensive computer system.

Each step in the procurement process was thoroughly examined and choices were based on the current system capabilities, potential for growth, and cost-effectiveness. A computer task force, whose members included program staff, has worked in concert with OTA's internal computer support group to guide the major conversion and advise OTA on future interfaces in the system.

The IBM conversion costs for hardware and software upgrades in FY88 totalled $204K. Through May 1989, the current fiscal year costs are $485K. Once the IBM conversion is completed, level funding for upgrades, replacement equipment and maintenance will be critical to our operations. We estimate this cost to be on the order of $450K per year.

Question: It appears that in fiscal year 1988 when your contracting dollars were reduced, you decreased the number of "Other Reports" and "Staff Papers" and used your available funding for full assessments.

-- Please explain the purpose of "Other Reports" and "Staff Papers."

-- When do you use these products and what is the impact of reducing the number issued?

Answer: Delivery of interim products, like "Other Reports" (which includes technical memoranda, background papers, case studies, workshop proceedings, and administrative documents) and "Staff Papers," permits OTA to serve the immediate and time-critical needs of requesting committees without sacrificing the detail and breadth of the final assessment report. It takes from one and one-half to two years to conduct the rigorous analysis that results in the findings and policy options we publish at the end of an assessment project, but we gather information in the course of that analysis that has value for committees (e.g., a description of fetal monitoring technologies, or a report on contractor performance at a Superfund cleanup site). By sharing both interim and final results of our analysis with committees, we perform a more useful service for Congress.

It is difficult to assess the impact of reducing the number of "Other Reports" or "Staff Papers" because OTA has other means to make interim deliveries to committees. Our main goal is to get crucial information to Congress in a timely fashion -- and only in as much detail as needed. Thus we produce full assessments, "Other Reports," "Staff Papers," testimony (which increased dramatically in 1988), and briefings. When contracts are reduced, all our output takes a bit longer and we produce less. Also some "Other Reports" result directly from contracts awarded for specific information unobtainable from other sources. Lower funding for contracting means that Congress is not getting some of the information it needs.

Question: OTA products classified as "Other Reports" and "Staff Papers" are increasing in fiscal year 1989 and again in fiscal year 1990.

-- Is this representative of a trend?

Answer. We hope so. We have been encouraged by many Members of Congress -- our Technology Assessment Board as well as our clients (committees of jurisdiction) -- to provide greater access to OTA's research throughout the assessment process. We have found that the best way to do this is with "Other Reports" and "Staff Papers," as well as testimony and briefings.

Question: Please list the potential areas for OTA assessments, studies, and reports for fiscal year 1990 and provide information on the focus of the work and the issues to be addressed.

Answer: The topics below have been identified by congressional committees, OTA, and its advisers as typical technical issues that the Congress will face over the next several years ... issues in addition to those OTA has already addressed or is currently studying. Of course, the list does not necessarily contain the assessments OTA will actually undertake in Fiscal Years '89 (remaining) and '90. Note: 1) This list is not given in order of priority; and 2) the actual number of issues we can undertake as full assessments is no more than 1 in 4 or 5 of those listed.

Energy and Materials

o Energy and Developing Countries

Demand for energy is rising in developing countries--which is desirable, because energy is essential for advancing their economies and raising standards of living. However, with current projections of economic growth in the developing world there is increasing concern over global warming due to CO2 emissions from burning fossils fuels as well as other environmental issues that would result from that growth. Availability of new technology and evolution of the world oil markets have changed the energy needs of the developing countries substantially over the last decade. This assessment would review these current and future needs and examine U.S. policy.

o Technology and the Materials Intensity of the U.S. Economy

This study would analyze the consumption of materials per unit of GNP (materials intensity), which is declining in the U.S. economy. Materials use depends on the health and sophistication of the manufacturing sector and the consumers' demands and preferences for end-use products. Declining materials intensity is often cited as a reason for the stagnation in materials demand and the declining competitiveness of the materials industry. The concept also has important energy and environmental ramifications, because materials production consumes large quantities of energy and is a primary source of pollution.

o The Limits to Conservation and Energy Efficiency

Environmental policy and/or economic conditions are increasingly providing incentives for pursuing (if not mandating) energy efficiency and conservation in many economic sectors of the U.S. economy. The study would assess the gains that we could expect to achieve at that point, given current technologies and expectations for future improvements. The assessment would determine the status of U.S. energy efficiency in all economic sectors, as well as the outlook for our R&D efforts and the direction that they are taking under current federal policies.

o Optical and Electronic Materials

In recent years, significant advances in such areas as fluoride glass fiber optic cables and gallium arsenide semiconductor devices, which have much faster switching speeds than silicon-based systems, are revolutionizing the telecommunications and microelectronics fields. In these and many other examples, the properties of the materials used in application are far from their theoretical limits, so that continued substantial improvements are possible. This assessment will identify the opportunities for the use of new electronic and optical materials which are expected to become critical to the economy in the future. It will analyze the technical and economic barriers to the realization of these opportunities.

o Future Directions in the Use of Metals

The steel and aluminum industries in the U.S. are undergoing a significant restructuring due to a variety of economic and technological factors. The growth in demand for these metals has lagged as consumers purchase fewer metal-intensive goods, and as new alloys and processes lead to more efficient use of these materials. This assessment would examine the technical opportunities for advanced metal alloys and fabrication processes that could make a significant change in the way metals are used in the economy. In particular it would look at ways to improve strength per unit weight, reduce processing time and costs, increase corrosion resistance and thus expand applications of metals and lower costs.

Industry, Technology and Employment

o Corporate R&D and U.S. Competitive Success

Strong, broadly based industrial R&D was a major factor in post-war U.S. competitive success. But, in recent years, American firms have turned away from corporate research, particularly in comparison with other countries. For example, business funded R&D in Japan totals 2.1% of GNP, compared with 1.4% here. Furthermore, the fate of the large central labs -- for decades the cornerstone of industrial R&D -- is in doubt. This study would examine the factors responsible for the decline of corporate R&D in the U.S., taking into account the convoluted and risky paths leading from R&D to production. The study would also compare decisionmaking about industrial R&D with that in our competitor countries, evaluate the alternates to traditional corporate R&D (e.g. consortia), and assess a range of Federal policies to stimulate industrial R&D.

o Foreign Investment in the United States: Black Cloud or Silver Lining?

Foreign direct investment in the United States (FDIUS) on today's scale is something entirely new to Americans, and we do not understand its implications at all well. FDIUS creates jobs for Americans, and some investors are exporting from their U.S. plants to Japan and will export to Europe. Yet we may find it more difficult to raise our standard of living if we increasingly become sellers of our labor. Nor is it clear how effective FDIUS is -- or could be -- as a source of new technology for the U.S. What can we learn from the policies of other nations, principally Japan, that used foreign investment to help them catch up technologically? Today, as in the past, U.S. firms (as do firms of other nations) succeed in many foreign markets in large part by producing in the countries to which they are selling. With all countries regulating foreign investment in some way, directly or indirectly, how we regulate FDIUS will affect our access to growing world markets.

o Skills for the Twenty-First Century

A large body of work has shown that skills shortages can curtail economic expansion, hurt international competitiveness and hamper efforts to deal with problems such as hazardous waste cleanup, and that mental skills are becoming more vital than manual skills. And, although everyone agrees on the need for educational reform, people disagree on such basic questions as: does computer literacy mean only knowing how to use the computer, or does it include having some grasp of the logic of its software? This study would focus on: (a) the nature of the skill base on which industrial competitiveness depends; (b) the kinds of skills that will be most vital in the future for industrial competitiveness; and (c) the extent to which improving the skills of the U.S. labor force can drive economic growth. This work would describe the kind of knowledge and skills graduates of the U.S. educational system should have to best contribute to industrial competitiveness, but the assessment would not examine the U.S. educational system itself.

o The Impact of Military Spending on Industrial Competitiveness

Although the United States spends about the same share of its GNP on R&D as does Japan, a substantial fraction in the U.S. is for military purposes. To a significant extent, the DoD determines which technologies are developed in the U.S. and how they are designed, produced and brought to market. Although historically, military spending has spurred technological advances of many kinds, defense spending may sometimes divert technological developments into channels less useful to civilian industry. This study would examine the extent to which DoD's investment and practices in technology are helping technological innovation in commercial technologies and assisting the Nation's industrial competitiveness. Where the impacts of DoD spending are found to be harmful -- particularly compared to countries that spend much smaller fractions of their GNP on defense -- the study will consider policies for counterbalancing them. Where the impacts seem to be positive, the assessment will ask how they can be reinforced or made more efficient.

o American Industry: New Environmental Stresses, New Business Opportunities

There has always been tension between industrial interests and environmental protection policies and programs. Although the issue is an old one, much has recently changed in the structure of American industry, the international marketplace, and the environmental area. The study will learn how industry is responding to environmental policy changes and will examine how public policies can help industry adapt positively to these changes, rather than move offshore or close lines of business altogether. Are new Federal environmental programs causing unforeseen industrial problems or impacts on the general public? Could new Federal policies help industry adjust better or help develop new markets and new business opportunities? In an increasingly competitive world -- especially for manufacturing -- what are the limits to further environmental regulation and increasing regulatory costs? How well informed is the government about the creation of industrial winners and losers in this new environmental era?

o High Definition Television: Engine of Change for U.S. Competitiveness

Over the last 20 years, the domestic consumer electronics industry in the U.S. has all but vanished, but U.S. and worldwide demand for consumer electronics has been insatiable, contributing to our massive trade deficit and to lost market opportunities for the U.S. If high definition television (HDTV) were no more than the latest consumer electronics product, the U.S. might be content to cede its market to foreign producers, as it did the market for VCRs. But technologies from HDTV will be at the heart of new systems that will influence large sectors of the U.S. and other industrial economies, including manufacturing, medical care, financial transactions, and education.

This study would examine the nature, strength and importance of the technical and market links of HDTV to the rest of U.S. industry, assess the importance of the technology to the U.S. competitive and trade positions, and explore alternate ways to ensure that U.S. industry will be able to exploit these technologies.

International Security and Commerce

o Protection Against, and Control of, Chemical Agents

This study could serve in part as a primer on chemical weapons, given the high Congressional interest in controlling them and the low level of generally-available information. Particular attention, however, would be paid to the areas where technical progress appears most needed -- protective technologies (detection, counteraction, and decontamination), and technologies for monitoring their production, stockpiling, and deployment.

o Impact of Nuclear Testing Restrictions

This study would address the impact that various possible restrictions on nuclear weapons testing would have on the U.S. nuclear deterrent: what levels of testing are necessary to assure the reliability of the existing stockpile, and the extent to which various kinds of testing limit would restrict the development of new nuclear weapons. Such a study would complement OTA's recently-completed study on seismic verification.

o Evolution of the European Conventional Balance

The conventional force balance in Europe is evolving as a result of both emerging technologies and changes in both East-West and intra-alliance politics. Technology is emerging that will aid the Soviets in their current offensive posture, while other developments may help NATO maintain its defensive stance. A further possibility, which would almost certainly require a negotiated agreement, is that both sides might move towards military postures that both agree are more defensive and less threatening -- the so-called "defensive defense."

o Defense Technology Base Follow-On

The project on "Maintaining the Defense Technology Base," scheduled for completion in March, is raising many more issues than we will be able to resolve. A number of these issues could be addressed more intensively in a follow-on study -- notably the options for a radical restructuring of the DoD laboratory system, or the issues surrounding international trade in defense technology, components, and even major systems -- with the choice dependent upon the particular concerns of the Armed Services committees.

o Exploring Mars

The possibility of a focused effort to explore Mars is attracting increasing Congressional attention. Although the actual achievements would be well in the future, now is the time for the strategic decisions which an OTA study would describe and analyze: the relative roles and possibilities for manned and unmanned exploration; the role of the Space Station as a staging base; the role (if any) of the Moon as a staging base; the possibilities of cooperation with the Soviet Union; the possibilities of cooperation with Japan and/or Europe; and the way each of these choices affects costs, schedule, scientific achievement, technological spinoffs, and US prestige.

o International Telecommunications Policy

International telecommunications is an industry that is growing very fast, and is in the midst of dramatic changes in technology. It is an arena where US industry has been very successful in the past, but since the critical decisions for the future will be made by Governments and by International Organizations, US competitiveness in the future requires a constructive US Government policy to back it up. Effective policy may well require new legislation, as well as effective oversight, to ensure that U.S. domestic regulation and the U.S. posture in international negotiations take proper account both of each other and of technological change.

Biological Applications

o Quality Assurance of Long Term Care of Elderly Citizens

With the "graying" of the American population, chronic disease is on the rise, with consequent Congressional concern over how to assure quality long term care for our older citizens. This assessment would characterize long term care facilities, identify and evaluate measures of their adequacy, apply these measures, and develop policy options that may help provide high quality long term care for elderly Americans.

o Keeping Older People in the Workplace: Technologies to Compensate for Diminished Capabilities

Demographic trends indicate that it will be increasingly important to retain older people in the workplace because of the decreasing supply of younger workers. However, there are declines in physical and mental capacity with age that vary with the individual and that will differentially affect the performance of older workers. This assessment would explore the biological bases of performance decrement in the workplace with age. Technical, institutional, and policy approaches to compensate for the effects of physiological decline in age would be evaluated.

o Technologies for Drug Delivery

Recently, major advances have occurred in technologies for the delivery of drugs. These include new ways to deliver drugs to specific cells, tissues, and organs (e.g., delivering tumor killing agents specifically to cancer cells; crossing the "blood brain barrier"), and new systemic drug delivery methods (such as "insulin pumps"). These new systems have the potential to significantly accelerate a patient's return home, with consequent positive effect on the national health and the quality of life for individuals. This assessment would describe the state of the art of and projected advances in new drug delivery systems.

o Technologies for Weight Control and Physical Conditioning

There has been a significant increase in knowledge in the last several years concerning how nutrients and hormones act in our bodies, which in turn determines whether we are fat or thin, muscular or not. This assessment would critically evaluate what is known about the biological bases of methods that claim to alter bodily characteristics and the potential physiological and psychological consequences that accompany such changes. Congressional committees concerned with consumer fraud, as well as those concerned with health and science are likely to be interested in this study.

o Biological Technologies to Support Humans in Space

There are two major areas of biological knowledge that are required to support a human presence in space. These are understanding of the physical, psychological, and social factors that facilitate or inhibit effective human functioning in long duration space missions, and knowledge of the biology of closed environments essential to the design of small, self-sustaining ecological systems. The state of knowledge in both areas would be explored in this assessment, and compared to estimates of knowledge on similar subjects in other countries with a major presence in space. Policy implications of the outcome of the analysis would be drawn.

o Risk Assessment and Risk Management in Regulatory Decisionmaking

This assessment would identify similarities and differences in risk assessment and risk management in different federal agencies, including how different agencies define these processes and the implications of definitional differences. It would consider how risk assessment (a scientific activity) and risk management (a sociopolitical activity) relate to each other and influence regulatory decisionmaking.

Food and Renewable Resources

o Agricultural Market Development: New Crops, New Products and Value-Added Opportunities

U.S. agriculture is facing stagnant domestic markets and increasing international competition. Worldwide surpluses of major commodities are expected to continue leaving farmers with prospects of diminished income. Development of alternative markets and new uses for current surplus commodities are being explored as possible solutions. OTA will assess potential alternative crops and emerging technologies which provide alternative uses of currently produced commodities with emphasis on high value products and trade opportunities. Technological and institutional constraints to the development and adoption of these technologies will be analyzed.

o Technology for U.S. Rural Redevelopment

The gap between rural and urban well-being has widened sharply in the decade of the 80s. Economic strain has been especially evident in traditional rural areas that depend on agriculture and other basic industries. Congress is becoming increasingly concerned about the increasing number of displaced rural workers and declining rural infrastructure. Information is needed concerning potential economic opportunities, technologies, and public policies to revitalize rural America.

o Forward-Looking Technologies for Locust Control

Parts of Africa and the Middle East are experiencing the worst outbreak of locusts since the 1950's, with at least 65 countries adversely affected. Desert locusts have been carried to the Caribbean and fears exist that they could break through to Asia. Estimates of control costs are escalating rapidly; the United Nations (U.N.) Food and Agriculture Organization expects they could be as high as $750,000. Many of these efforts are taking place in a scientific and institutional vacuum. Little research on locusts has occurred since the last large outbreak 30 years ago and many related organizations were disbanded when the outbreak subsided. OTA would identify and assess means of preventing outbreaks, and evaluate potential new control methods.

o U.S. and International Agricultural Approaches to Minimize Drug-Crop Production

The illegal flow of drugs into the U.S. begins with the production of drug-crops (coca, marijuana, opium poppies) in certain developing countries. Various agriculturally-related methods to stem the production of illegal drug-crops have been tried by U.S., foreign and international agencies, including identification of alternative crops and marketing opportunities for LDC farmers. Such efforts can complement drug-crop eradication efforts. OTA would analyze past methods, successes and failures, and potential new agriculturally-related approaches through which the cultivation of illegal drug-crops might be minimized.

Health

o The Costs of Pharmaceutical Research and Development: A Research Agenda

Policy makers have questioned the fairness of drug prices in the United States. The existing studies of drug R&D costs have not been subjected to an independent methodological review for validity, and requirements for a valid assessment of these costs have not been outlined. This project would attempt to fill these gaps by reviewing the current evidence on R&D costs in the pharmaceutical industry, developing a research plan (including both data needs and analytic methods) for a valid study, and, if such a research plan is feasible, conducting an analysis of drug R&D costs. This assessment would also attempt to clarify the relationship between current drug prices and R&D spending, so that the Congress can better assess the usefulness of estimating R&D costs in development of policies relating to drug prices.

o Assessment of Evidence for Selected High Volume Medical Technologies

The scientific and clinical evidence supporting the use of selected medical technologies will be reviewed. Technologies, preferably including representative drugs, devices, and procedures (or perhaps just focusing on procedures) will be chosen using criteria such as: volume of use, unit price, total cost to health care system, geographic variation, controversy over use. This could be seen as a logical follow-up to the many recent studies of geographic variation, particularly for the cases in which the variability is not satisfactorily explained. To carry out the study, basic methodology and evaluation criteria will be developed, and applied to each specific technology. An important aim of the study would be to suggest specific research studies (mainly clinical trials) to resolve areas of controversy for each technology.

o Health Effects of Non-Ionizing Radiations

A large percentage of the population is exposed to some sources of non-ionizing radiation, such as microwaves, electromagnetic pulses, and power-frequency electrical and magnetic fields. Concern about potential health and environmental effects of these has grown enormously over the past 5 years or so, and OTA has done some small projects and answered Congressional inquiries about some of these things. It is a field in which many papers have been written during the past few years, but little has been resolved. Many of the studies have severe methodologic problems and there are still many theoretical problems to solve in the appropriate study of these forces (e.g., how to measure "dose"). OTA could usefully review the completed and ongoing studies, either confined to health effects in humans or expanded to animals and plants (which might necessitate collaboration across divisions), and examine the methodologic issues.

o Computers and Diagnostic Radiology

The U.S. spends a significant portion of its health care budget each year on diagnostic medical tests, including radiologic imaging studies such as Xrays, CT scans, MRIs, nuclear scans, and ultrasounds. Although their introduction into the marketplace is still far off, "smart" computer programs may eventually be used to interpret diagnostic radiology studies. Computerized "artificial intelligence" has already been used in a number of medical demonstration projects. In years to come, artificial intelligence is likely to be applied to diagnostic radiology. This paper would explore the technological, financial, and professional impacts of computerization in diagnostic radiology, including its consequences for consumers, health professionals, and third party payers. Impact on health care costs, medical decision-making and case management, issues of liability, changing professional roles, and social consequences of increasing computer-reliance in diagnostic radiology would be considered.

Communication and Information Technologies

o Telecommunications and Rural America

Technological advances and changing market conditions are altering the United States communication infrastructure in ways that will have profound impacts on how American people live and work. A critical dimension of these changes is their effect on economic conditions in rural areas. Some analysts foresee an information age that will overcome the barrier of distance and thereby usher in a new future for rural areas. Others believe that it will perpetuate the gap between rural and urban America. This study will seek to analyze the role that new communication and information technologies will play in rural America, with particular attention being devoted to the questions: 1) Will technological advances be available in a timely manner to rural America; 2) Does information age technology involve economies of scale that will make the adoption of these technologies by rural businesses and communities cost prohibitive; what are the expected economic effects of information technologies in rural areas; which rural areas are likely to have the greatest ability to make use of these new technologies; and what role can the various levels of government play in fostering information age technology? This study will build upon the prior study, Making Connections: A Communication Infrastructure for the Future, which will be completed by early Spring 1989.

o New Communication Technologies and the Electoral Process

Effective use of computer and communication technologies is essential to political campaigns in identifying voters, tailoring messages, managing workers and schedules, writing speeches, polling citizens, and tracking opponents. Effective use of the media, especially TV news and advertising, is equally important to successful campaigns. This study would examine trends in the use of these technologies in recent Federal elections. The study would also evaluate the policy options for a number of issues, including the accuracy and validity of computerized vote-counting, the use of exit polls on election day, negative political advertising, and campaign financing.

o National Electronic Identifier

With the increased reliance on computerized record searches and online record exchanges, public and private organizations are becoming dependent on electronic identifiers, often social security numbers, for record management. As the Federal government adopts electronic delivery of benefits, such as Medicare catastrophic insurance, a unique electronic identifier becomes essential. This study would examine the trends in public and private sector use of electronic identifiers, evaluate their reliability as identifiers and authenticators, and discuss the policy implications raised by dependence on an electronic identifier.

o Information Technology and Global Problem Solving

Understanding and analysis of, and ultimately policymaking on, a wide range of global problems--from economic competitiveness to food supplies to technological collaboration to environmental crises--depend increasingly on global-scale information collection and dissemination. Electronic technologies--such as electronic bulletin boards, electronic publishing, and optical disks--provide exciting and cost-effective opportunities but also intensify the challenge of simultaneously strengthening public access, protecting privacy and national sovereignty, and facilitating international cooperation. Heightened congressional interest in many of these areas suggests that an OTA assessment could make a very timely and significant contribution.

o Information Technology and the Delivery of Government Services

With tight Federal fiscal constraints likely to continue indefinitely, the impetus to identify and implement more cost-effective ways of delivering government services will intensify. Information technology offers a major target of opportunity. OTA could examine information technology applications in a cross-section of governmental service delivery areas--e.g., health promotion, transportation safety regulation, natural resources management, environmental protection--with respect to various governmental objectives such as cost-effectiveness, public access, equity, privacy and civil liberties, integrity, and accountability.

Oceans and Environment

o Waste Disposal At Nuclear Defense Facilities

This assessment will characterize the national problem of waste disposal at nuclear defense facilities. It will evaluate both technical and institutional approaches to future waste clean up and management. And it will review current priorities for clean up in the context of relative risks and technical and financial feasibility.

o Impacts of Global Warming

If measures to prevent further global warming are too late or insufficient, steps must be taken to deal with the impacts. The assessment will characterize the impacts that can be anticipated and consider various alternatives for dealing with these impacts.

o Medical Waste Management

The assessment will build on earlier OTA work on this subject and will consider the nature and extent of the occupational risks from medical wastes; will compare and evaluate different incineration processes and other technologies; will evaluate the specific problems associated with disposal of medical wastes in sewers, and will examine potential waste reduction options for medical facilities.

o Shoreline and Coastal Land Use Management

As the needs for recreational, commercial and residential space along the U. S. coasts increase, the needs to preserve shorelines and other coastal lands are intensifying. This assessment will examine some of the new technologies available for coastal preservation and selected state and Federal programs for shoreline and coastal management.

o Nonpoint Source Pollution

Rivers, lakes, estuaries and groundwater are contaminated to varying degrees by pollutants from such "nonpoint" sources as surface runoff from farmlands and urban streets, deposition from the atmosphere, and flow through groundwater into pollution problem and consider various alternatives for dealing with the problem.

o Technologies for Treating Potable Water

Under the 1986 Amendments for the Safe Drinking Water Act, communities will be required to use sophisticated treatment technologies to meet new standards. The assessment would assist in Congressional oversight of the new law by examining the health effects of treatment processes and options to treat small water systems, particularly contaminated rural supply.

Science, Education, and Transportation

o Science Priorities and Research Decisions

Budget pressures and increasing costs of research have generated demands for a "better" system of selecting major science research investments. Better understanding of the priority systems used by our research competitors, the way in which decisions are made in our decentralized system, and the utility of review systems we now use could help Congress determine how we might use our limited resources more effectively.

o International Cooperation in Big Science

Science is an international community, but the conflicts of cooperation vs. competition are intensifying. For the first time, the U.S. needs the financial, and in some instances intellectual, contributions of other nations. A review of lessons learned in past collaborative projects, plus an analysis of what the future may hold, would be of broad utility.

o Accountability and Conflict of Interest in Science

Researchers play multiple roles in research communities: principal investigators using Federal funds, peer reviewers for grant proposals, referees for journal manuscripts, mentors of new researchers, coauthors of papers, patent holders for potentially commercial products, etc. Where might these roles conflict. What are the resulting effects on scientific productivity? Is there reason for federal-level concern?

o New Tools for Teaching and Learning: An International Perspective

Many nations have launched major efforts to use interactive technologies in education. Despite varying educational goals and cultural differences, there is a common base of interest in developing suitable hardware and quality software, training teachers, and conducting basic research. Little information has been exchanged on the actual classroom use of technologies. A study on this topic would examine the U.S. position vis a vis other countries, and consider improvements for both this country and the international system.

o System Needs for Commercial Aviation

Growth, productivity, changing technology and concern all characterize the U.S. situation in commercial aviation. The Congress will soon be ready for a review on the implementation of the NAS plan, including technology needs, air system capacity, and safety. Thinking beyond the limits of the NAS plan must begin soon, and OTA can help to bring this issue up to date.

o Freight Hauling and the Surface Transportation System

Vehicle use on highways and bridges is contributing to a faster-than-anticipated lowering of the quality of the infrastructure. Pressures on freight haulers make difficult problems for State highway planners and taxpayers. The issues of whether or not freight moves by truck or rail is complex, and a better grasp of how choices are made is necessary for anticipating facility demands. This study would draw upon OTA's work in truck safety and infrastructure, and would provide valuable technical analysis for the reauthorization of the Highway Trust Fund (1992).

Question: How many OTA staff members are detailed to the House and Senate Appropriations Committees?

Answer: No OTA staff are detailed to any congressional Committees.

Non-Cancer Health Effects Study

Question: Please describe your resource situation currently and your ability to respond to new requests within the present funding and personnel limits.

Answer: OTA has approximately $900,000 remaining in fiscal year 1989 to devote to new assessments and has tentative plans to propose between nine and ten new studies to the Board between June and October (obviously most funds for those studies will be expended in future fiscal years). Sufficient permanent staff will be freed up by completion of current assessments to direct new projects that we propose to the Board, and our flexibility in temporary employment and contracting will enable us to staff new projects. In the Biological Applications Program, which would handle OTA's work on non-cancer health effects, current work will require the full-time efforts of all staff presently on board through the end of the fiscal year.

Question: Can you give me a rough estimate of the cost and duration of a full-scale assessment of immunotoxicity and other non-cancer health effects including regulatory approaches and research needs?

Answer: OTA's initial, rough estimate of the costs and duration of such a study would be approximately $500,000 over two years.

Budget Reductions Based on OTA Work

Question: In your statement you suggest that OTA studies, reports, and assessments are helpful in reducing the budget deficit. Please give three recent examples.

-- Do you have any recommendations based on your 1989 assessments thus far?

Answer: Science and technology figure prominently in most recent and impending Congressional decisions -- e.g., on defense spending, on environmental cleanup programs, and on health costs. I will preface these examples, from 1989 reports, of OTA's assistance on budgetary issues with the caveat that we do not make recommendations, but provide findings and policy options for the Congress.

In Holding the Edge: Maintaining the Defense Technology Base, OTA found that the dynamic base of research and development upon which the U.S. defense effort rests is characterized by a heavy burden of government rules, lack of an effective system for high-level planning, and lack of a coherent strategy for dealing with trends in the international high-technology economy. Congress faces some hard choices: procurement efficiency v. accountability; whether to take a role in DOD laboratory reform; how best to foster greater coordination between defense and civil R&D. The paths charted by OTA should help Congress get more bang for its bucks in this critical area of federal spending.

For many years OTA has worked in the area of hazardous waste management, identifying new technologies and management strategies for this national and international problem. In a recent background paper, Assessing Contractor Use in Superfund, OTA found that simply pouring more money into Superfund and placing more emphasis on enforcement and privately financed cleanups would not necessarily improve the environmental performance of the system. Without addressing how EPA uses, selects, and supervises contractors, these actions -- like many of the cleanups OTA examined -- are likely to prove an impermanent solution to what we believe are the core problems of poor environmental performance and low cost-effectiveness in Superfund.

Finally, in a recent paper, Costs and Effectiveness of Cholesterol Screening in the Elderly, OTA found that there is no firm evidence suggests that cholesterol screening and subsequent treatment would prolong the lives of elderly people who have no signs of heart disease. Thus widespread cholesterol screening for elderly people would probably have little effect on death rates, but potentially large impacts on Medicare costs and total health care expenditures. This study may help Congress make a better application of limited health care funds.

Question: The FY89 appropriation was $17,937,000 a 6.4% increase over FY88. The FY90 request is $19,655,000, an increase of $1,718,000, or 9.6%, above FY89. Clearly an increase of this size is unobtainable.

What would be the impact if the Committee recommended limiting your FY90 increase to $818,000, the amount requested to cover mandatory costs and price level changes, and denied the $900,000 requested for increased workload?

Note: OTA requests $381,000 of the total for "mandatory" increases for "merit increases and promotions averaging 3.5%" and associated increased benefit costs. What is "mandatory" about promotions and merit increases?

Answer: The unavailability of $900,000 for the restoration of contracting dollars forces OTA to constrain the number and scope of our analyses. These funds will be used exclusively to restore about half of the resources lost since FY '85 to support special research tasks and panel working groups. These activities are essential to OTA's ability to tackle - accurately and in a timely manner - a wide variety of complex questions, yet remain relatively small in staff size.

Contract resources enable us to:

- Sustain OTA's Advisory Panel process
- Convene workshops and commission associated working papers
- Obtain highly specialized information at less cost
- Tap expertise needed only temporarily
- Get at information more quickly.

In FY '85, OTA contracts for research and Panel/Working Groups amounted to 20% of our total budget -- providing a reasonably satisfactory mix of outside resources to internal staff. Failure of OTA's budget to keep pace with inflation and rising fixed costs have pushed down the level of contract spending to 12% in FY

'89. At that level, we must take shortcuts that seriously undermine our capability to be responsive to committee requests.

The funds requested for FY '90 will only enable us to avoid the worst of the dilemmas we now face. If we can establish research and panel contracts at 16% of our budget -- halfway between FY '85 and FY '89 -- the committees and TAB will still have to help us make difficult choices about what work gets done and what waits.

With respect to the use of the word "mandatory" associated with the cost of merit increases and promotions, these increases are required to maintain a highly qualified and viable workforce at OTA. The costs have always been reported as "mandatory" as prescribed in the guidelines set forth by the House Appropriations Committee to achieve uniformity in reporting for the legislative branch agencies.

CAPITOL POLICE BOARD

STATEMENTS OF:

HON. GEORGE WHITE, ARCHITECT OF THE CAPITOL
HON. HENRY K. GIUGNI, SENATE SERGEANT AT ARMS
HON. JACK RUSS, HOUSE SERGEANT AT ARMS
HON. FRANK A. KERRIGAN, CHIEF, CAPITOL POLICE

PREPARED STATEMENTS

Senator REID. Our next witness this afternoon is the Senate Sergeant at Arms and Chairman of the Capitol Police Force, Henry Giugni, who is accompanied by the other members of the Board, Mr. Jack Russ, House Sergeant at Arms, and Mr. George White, the Architect of the Capitol, and by the Chief of the Capitol Police, Mr. Frank A. Kerrigan.

We welcome all of you. Your formal statements will be inserted in the record.

[The statements follow:]

STATEMENT OF HENRY K. GIUGNI

Mr. Chairman and Committee Members, as Chairman of the Capitol Police Board, it is indeed an honor and a pleasure to appear before you to present the entire fiscal year 1990 budget request for the United States Capitol Police.

As you know, the Legislative Branch Appropriations Act for FY89 funded the personnel budget of the Capitol Police as a Joint Item and directed the Capitol Police Board and the Capitol Police to present a consolidated budget request to the Appropriations Committees beginning with the FY90 Budget.

The full budget request is detailed on the schedules which have previously been submitted to the Subcommittee. In summary:

The total estimated FY90 budget for the Capitol Police is $61,780,000. This is $6,971,000 more than FY89, and represents a 12.71% increase.

GENERAL EXPENSES

FY89	FY90	Increase
1,887,000	2,292,000	405,000 (21%)

The General Expenses Budget of the Capitol for FY90 is $2,292,000. While this represents an increase of $405,000 or 21% over the FY89 appropriation, it accounts for only 6% of the total requested increase for FY90.

Included in the increase is $216,000 for the tuition of new recruits at the Federal Law Enforcement Training Center, in Glynco, Georgia. This amount is requested on a contingent basis, and is necessary only if the Treasury Department does not provide for it within their own appropriations, as they have done in the past.

Anticipating that these funds will not be necessary, the increase in General Expenses would be adjusted to $189,000 or just 10% over the FY89 appropriation. This remaining portion of the increase can be attributed generally to increased training and travel associated therewith, increased maintenance costs, and routine replacement of expendable materials. There are no new programs intended to be funded by this budget request.

By Object Class, the proposed FY90 General Expenses budget is as follows:

TRANSPORTATION OF PERSONS

FY89	FY90	Increase
173,400	226,939	53,539 (31%)

Includes airfare, car rental, mileage, tolls, per diem, and any other expenses incidental to official travel by members of the Capitol Police. Travel expenses under this Object Class are usually related to training, protective details, or other travel related to official business (e.g. ceremonial functions, investigations, relocation of residence due to change of duty post).

TRANSPORTATION OF THINGS

FY89	FY90	Increase
11,000	12,802	1,802 (16%)

Includes all transportation costs (e.g. freight) except for: regular mail service (included in Rent, Communications, and Utilities) and travel and per diem (included in Transportation of Persons).

RENT, COMMUNICATIONS, AND UTILITIES

FY89	FY90	Increase
96,500	102,671	6,171 (6%)

Includes lease and rental of equipment and services, regular mail service, and commercial long distance service.

OTHER SERVICES

FY89	FY90	Increase
317,500	540,278	222,778 (70%)

Includes repairs and alterations to equipment, maintenance contracts, tuition and registration fees, uniform maintenance, and professional services. Includes $216,000 for FLETC tuition.

SUPPLIES AND MATERIALS

FY89	FY90	Increase
860,500	979,074	118,574 (14%)

Includes commodities that are ordinarily consumed or expended within one year after they are purchased, e.g., ammunition, photo supplies, fuel, oil, repair parts, and miscellaneous supplies.

CAPITAL ASSETS

FY89	FY90	Increase
428,100	429,792	1,692 (.4%)

Includes purchase of personal property of a durable nature, e.g., weapons, motor vehicles, radios, photographic equipment, electronic equipment, printing equipment, and office equipment.

PERSONNEL EXPENSES

The Capitol Police currently employ 1341 officers. 652 of the officers are on the House payroll, while 689 officers are paid from the Senate payroll. The total number of employees includes 1263 sworn officers and 78 civilians.

FY89	FY90	Increase
52,922,000	59,488,000	6,566,000 (12.4%)

94% of the overall increase for FY90 can be found in Personnel expenses, which is estimated to be $59,488,000 ($29,627,000 for the House, $29,861,000 for the Senate), an increase of $6,566,000 over FY89. Compensation accounts for $5,243,000 of this amount, with the remaining $1,323,000 for employee benefits.

The $5,243,000 increase in compensation is justified as follows:

> $3,511,000 is attributable to mandatory pay administration, e.g., Cost of Living Adjustments, longevity increases, and rank adjustments.
>
> $1,582,000 is intended for 74 additional positions (40 sworn officers and 34 civilians) that are contingent upon implementation of the Master Security Plan.
>
> $150,000 is included in this request for 4 civilian employees: 1 computer programmer, one procurement specialist, and 2 technical Specialists for the Technical Security Division.

The hiring of civilians to supplement the sworn personnel in the Capitol Police provides many benefits, not the least of which is economic. It is estimated that the first year investment (salary, background check, training, wardrobe, etc.) in a civilian security aide, which are now deployed on the Senate side, is approximately $18,000. A similar investment for a uniformed officer is approximately $41,000. It has been my observation and experience that the use of civilians to perform certain routine and administrative functions is appropriate, financially responsible, and permits the reassignment of sworn personnel to more vital posts or duties.

It should be noted that there isn't any requested increase in overtime compensation for FY90. Without compromising security or safety, the Capitol Police were able to reduce overtime pay by 47% from FY87 to FY88. This was accomplished by closing certain posts, hiring thirty-nine civilians to permit the reassignment of a like number of sworn personnel, as well as strict enforcement of overtime policies.

SECURITY ENHANCEMENT PROJECTS

During the past two years, the Board has begun to take a number of simple and logical steps to enhance Capitol Security. For example, in 1986 and 87, the Joint Whips, Capitol Police, and security consultants retained by the Architect at the direction from this Committee, recommended the following as part of a comprehensive Security Enhancement Proposal:

1) the magnetometer screening of all employees entering the Capitol and Senate Office Buildings;

2) an off-site delivery center to screen deliveries to the Capitol; and

3) the removal of all parking from the Capitol Plaza.

In the Spring of 1987, the Board unanimously endorsed proceeding with these activities and $1.7 million was appropriated for these purposes.

Magnetometer screening of employees is viewed by the professionals as of significant importance since no security checks or clearances are obtained for most employees of the Capitol complex and no screening is currently conducted. There is, therefore, no way to ensure that persons who obtain employee identifications are not wandering the halls of the Capitol with contraband or weapons.

Financing and manpower to proceed with employee screening is available with the exception of $192,000 required to purchase equipment to screen employees entering the Capitol from the House Office Buildings. These funds have been included in the request of the Architect of the Capitol and we request favorable consideration so that the Capitol Police might proceed with this significant enhancement.

It should be noted that while there are magnetometers which are not currently in use, the Capitol Police have reported that these machines are outmoded, have "dead spots" and have repeatedly failed to detect certain objects. This equipment should only be utilized as a last resort.

I would also like to note that while combined "bomb sniffing" devices might ultimately be preferable for these and similar purposes, no such device has been identified by the Capitol Police which would be appropriate for Capitol use. The Capitol Police are continuing to work on this matter.

The offsite delivery center pilot project has begun. Currently, deliveries bound for the Capitol are checked at the site for explosives and weapons.

Removal of parking from the Senate side of the Capitol Plaza is presently slated to begin on May 22, 1989. In 1987, about a hundred spaces on the Senate side were cleared to begin this process. Although complaints were received, the process went smoothly and has had no negative effect. A comprehensive plan for both the of remaining permanent parking has been developed and will be implemented.

With regard to overall perimeter security, the joint Whips have submitted a proposal to the Leadership of the House and Senate which is currently under consideration. As indicated previously, implementation of the proposal would require an additional 74 positions. While these positions are included in the FY90 request, they are clearly contingent upon program approval and implementation.

Similarly, two engineer positions have been requested to supplement the electronic security function. Whether these positions should ultimately be placed with the Police, Architect of the Capitol or an independent office is a question which will soon be before the House Administration and Senate Rules Committees'. While we unanimously agree that the engineers' expertise is required, their placement under the Police may not ultimately be appropriate.

PAY COMPRESSION AND RETIREMENT

The Capitol Police Board is concerned that the pay schedules and retirement benefits for the Capitol Police are not competitive with surrounding jurisdictions. Unless action is taken to rectify this disparity, the Capitol Police will find it increasingly difficult to recruit the best applicants, and will continue to lose officers after a substantial investment has been made in their training. The attrition rate of officers hired within the last six years has been 30.71%. The salary and retirement schedules of the Capitol Police are inequitable when compared to the schedules of other area law enforcement agencies.

In many cases officers feel pressure to opt for the salary and benefits packages offered by other police departments. This is borne out by a recent study of exit interviews conducted with departing officers. The most often reported reasons for leaving the Capitol Police were:

1) lack of pay parity with other area departments;

2) the lack of a law enforcement retirement plan; and

3) the inability to earn top salary in their grade level in a reasonable amount of time.

In order to begin the process of bringing the Capitol Police into relative parity with other local police departments, the Capitol Police Board requests that the committee, in FY 90, make funds available to compress the pay step system schedule from a sixteen step, twenty-six year scale to a twelve step, fourteen year schedule.

Additionally, in FY 91 the Police Board will seek a pay increase of $7,340,146, that will minimize the attrition rate, officer morale, and, if approved, bring the Capitol Police into parity with other departments.

Currently there are retirement inequalities between the Capitol Police and local law enforcement agencies. The Police Board believes that by amending title 5 of the United States Code, all Capitol Police officers could retire after 25 years service at any age and after 20 years service upon attaining the age of 50. This would also bring the Capitol Police in line with most area police retirement plans.

JURISDICTION AND REGULATIONS

Concern has been raised on the Police Board over the jurisdictional limitations of the Capitol Police and regulations that govern the force. The courts of various affected jurisdictions have raised matters of personal liability for officers taking part in police activities outside of the area around the Capitol Complex.

The Police Board feels strongly that many of our officers are at risk in terms of liability when they are required to perform official functions. For example, when operating in a protective capacity or travelling to or from training assignments, they are placed in a precarious position when witnessing a crime, by not acting at all or acting as a civilian with all the attendant risks of the propriety of effectuating a citizen's arrest.

It appears that this situation is inequitable not only to the individual officer and the Congressional protectee, but also to the community at large. Presently it is possible for a private citizen to be in the unfortunate predicament of being a crime victim while a uniformed officer sits idly by awaiting assistance from another jurisdiction. Therefore, the Capitol Police Board requests that problems of a jurisdictional nature be addressed by a statute, expanding the jurisdiction of the Capitol Police to include the District of Columbia. This would serve the purpose of providing greater liability protection for police personnel while performing most official duties.

Currently, regulations for the control of demonstrations and other activities are based on the statutory authority of the Board to control "vehicular and other traffic." In order to clarify any technical ambiguities, the Board requests legislation to provide the Capitol Police Board with the express authority to promulgate regulations to maintain general control of activities, particularly demonstrations, on Capitol Grounds.

Finally, Mr. Chairman, last year the Conference Committee directed the Board to develop and submit to the appropriate authorizing Committees proposals for the consolidation of the Capitol Police payrolls and for the development of a Technical Security Program. The Board has worked with the Senate Committee on Rules and Administration and Committee on House Administration to comply with these mandates. Additionally, I have consulted with the Office on Senate Security on the Technical Security issue.

On the matter of payroll consolidation, it has been determined that the Architect of the Capitol's payroll system would be an appropriate and cost effective means of satisfying the ministerial task of check production. However, we have also learned that the Capitol Police would be required to reproduce almost the entire infrastructure of records keeping, counseling, and payroll regulation that currently exists for the House and Senate. Additionally, the issue of appointments to the Capitol Police payroll remains to be resolved. Payroll consolidation remains a priority for the Board. But it must be done properly and in a cost efficient manner. Given the complexities and costs which have been identified, we accordingly request that the payroll accounts for FY 90 be structured identically to that of FY 89, that is, as joint item with appropriate disbursement authority provided to the House and Senate. This will provide the Capitol Police, and appropriate committees with sufficient time to address remaining issues and costs.

STATEMENT OF JACK RUSS

Mr. Chairman and members of the Subcommittee, I would also like to take this opportunity to thank you for inviting the Board as an entity to address this panel.

While I support and adopt Mr. Giugni's formal statement for the record, I would like to point out that I am forwarding a copy of the proposal regarding salary adjustment, retirement treatment, jurisdiction and regulations to the House Committee on Administration and the House Appropriation Subcommittee on the Legislative Branch for their review and consideration.

Just briefly...

1) The salary adjustment is designed to continue our past efforts in professionalizing the Capitol Police Force and enhances our ability to attract and maintain quality individuals.

2) The retirement proposal, Mr. Chairman, is purely and simply a matter of equity. Virtually every police force in the country

recognizes the need to maintain young and vigorous individuals to perform our law enforcement functions. This initiative merely provides recognition that the Capitol Police are indeed a professional law enforcement organization.

3) The jurisdiction measure addresses a longstanding legal difficulty regarding officer liability while acting in an official capacity outside the technical boundaries of the Capitol Grounds.

4) The regulation question clarifies and solidifies the Board's position in regulating day to day activity on Capitol Grounds.

STATEMENT OF FRANK A. KERRIGAN

Mr. Chairman and Members of the Committee, I am pleased to meet with you today to discuss the FY 90 budget request for the Capitol Police.

1988 was a busy year for the Capitol Police. Our officers provided coverage for 226 demonstrations, 1493 official visits, and 192 special events, 1835 items of contraband were seized (57% increase), and 415 threats and nuisance type contacts directed towards Members of Congress were investigated. I am pleased to report that the Capitol Grounds actually reflected a 21% decrease in crimes against persons, while arrests were up 105%. The Hazardous Devices Section was involved in 130 bomb searches, and 102 suspicious packages.

The Capitol Police were heavily involved in providing security for Members of Congress during the Democratic and Republican National Conventions, as well as planning for the

Inauguration of President George Bush and Vice President Dan Quayle.

In order to improve the efficiency of our operation, funding has been requested to enable our personnel to receive further professional training in areas that can benefit the congressional community; protective operations, enforcement and investigative techniques, and procurement and budgetary functions.

In addition to this budget submission, we are proposing a new salary and retirement package for members of the Department. We are losing our young officers at an alarming rate because of our salary and retirement benefits are not competitive with other local departments. 51% of the officers that were appointed in 1983 are no longer with the Capitol Police and, of the 91 officers appointed in 1984 only 37 remain, a 59% loss. Moreover, it is very difficult for us to attract quality candidates with our current salary and retirement benefits, and those that are appointed are leaving in increasing numbers after they have been with the Department only a few years.

In closing, Mr. Chairman, I would like to personally express our deepest appreciation to the Committee for the assistance provided to the Capitol Police.

INTRODUCTION OF ASSOCIATES

Senator REID. Mr. Giugni, if you will please proceed with the highlights of your testimony, and then we will give you the opportunity to answer some questions. And if the other members of the Board have anything to say, they are welcome to do so.

Mr. GIUGNI. Mr. Chairman and members of the committee, I am pleased to meet with you today to discuss the fiscal year 1990 budget request for the Capitol Police.

As Chairman of the Police Board, I have the honor of introducing to you my fellow Board members: the Honorable George White, the Architect of the Capitol, on my left——

Senator REID. We all know what Russ looks like. [Laughter.]

Mr. GIUGNI. Jack Russ and, of course, Chief Frank Kerrigan.

This is something of a historic occasion since I think this is the first time the entire Capitol Police Board has appeared before the committee.

As a former police officer—and, Mr. Chairman, I know you have been there yourself—in my 26 years here, I have watched the Capitol Police go from a patronage security system to a professional percent; 94 percent of the increase is for personnel. This includes routine increases for COLA, employee benefits, longevity increases, and promotions in rank.

Currently, the police have a staff of 1,341. We are asking for 78 more. That includes $1.6 million earmarked for 74 new positions that will be needed only if, and I repeat, only if the fence around the Capitol is approved.

We are also asking for four technical positions. These are two engineers for the Technical Security Division, one computer programmer, and one procurement specialist.

There are a couple of problems standing in the way of our efforts to maintain a quality police force. We have a tough time recruiting the best applicants, and we have a tough time keeping them.

Of the recruits hired in the last 6 years, almost one-third are already gone. This is after we have spent more than $40,000 to train and outfit each one just in the first year. They tell us they are leaving because of better pay elsewhere, better retirement, and a shorter wait to reach the top of the salary ladder.

We take this seriously and are working to address each issue. We want to compress the pay scale to get officers to the top salary for their rank in 14 years instead of 26.

Right now, every other law enforcement jurisdiction, including the District of Columbia, the counties, and Federal agencies, all have pay scales, topping out at 8 to 16 years, and all pay better than the Capitol Police.

Next year, a $7 million across-the-board increase will be sought.

On the retirement issue, we come in dead last compared to other agencies on the amount of service time needed for retirement. Today we are asking for a change to let our officers retire after 25 years of service, or age 50 after 20 years. This would bring us more in line with most other law enforcement agencies in the country.

I am sure you have heard about how the counties and the District plan to beef up their police forces. Some of them are planning to hire in the hundreds. We all recruit from the same pool of applicants. Without some of the changes I mentioned, we cannot attract the best candidates. And we will have our new recruits stolen from under our noses before we get a return on our $40,000 investment.

These things will help to make our employees want to be with the Capitol Police. I would also like them to be proud they are professional police officers. To move in that direction, we must settle the question of jurisdiction.

The Capitol Police patrol a 40-block area around the Capitol. Sometimes officers are on protective detail or in some official capacity when they witness a crime. If it is not on our turf, they have to call the local police for help and wait until it comes. It does not make sense to have a trained, uniformed officer sitting around while a crime is in progress.

We can begin to solve the problem by setting the jurisdiction of the Capitol Police to include the District of Columbia.

Last year, we were asked to look into consolidating the police payroll. As you know, some of our officers are on the Senate payroll, some are on the House. Pay and benefits are handled differently on each side. Bringing all under the same umbrella would allow us to treat everyone fairly and equally.

So far, we have found that the Architect can be a disbursing agent in cutting the checks, but the police themselves would have to take care of the recordkeeping benefits and payroll policy that is now done by the disbursing offices on each side. To do it, we would need to hire at least six people, create or revise at least 40 computer programs, and make arrangements for more equipment and space.

We will have to resolve questions on who has the power of appointment and how positions are allocated to the House and Senate. The project is a lot more complex than was first thought.

We want to make sure it is done right, and at this point we are still exploring all the pieces.

There are no new programs on the expense side of the budget. The increase requested for routine training, equipment, and maintenance adjustments. But let me take a moment to update you on the status of some ongoing security programs.

I am very proud to say the new offsite delivery center has been in operation for 2 months and is processing 25 delivery trucks a day. Already it is working so well that other agencies may duplicate it.

All permanent parking will be removed from the east front plaza by May 22. This is the final step in a process that began 2 years ago when I ordered the first removal of 100 cars. All the cars that used to park on the plaza have been reassigned to other spaces.

On perimeter security—the fence around the Capitol—Mr. White is the expert on the details. I would just like to say that the proposal of the joint whips is under review by the House and Senate leadership. We are prepared to do our part when a plan is approved.

Chief Kerrigan has done a great job in cutting overtime almost in half. It was done by closing certain posts, by strict enforcement of overtime policies, and by hiring 39 civilians to take the place of uniformed staff. This is a good example of how the civilian program has worked. We now have 78 of them. They monitor the closed circuit video. They are the laborers at the offsite delivery center, and the security aides at the doors.

It costs us $19,000 and a week's training to put a civilian to work in the first year. A uniform officer costs us $40,000 and it is 17 weeks before he is on the job.

Thank you, Mr. Chairman. After my colleagues have made their comments, we will answer any questions you may have.

Senator REID. Thank you.

Mr. Russ, do you have anything to say?

Mr. **Russ**. No; except that I concur with Henry's remarks and I have a brief statement that has been entered into the record.

Senator **Reid**. We have made that part of the record.

Mr. White.

Mr. **White**. I have nothing further to add except to lend my full support for the statement that the Chairman has made, that is Henry Giugni, and to say that these are really substantive issues in terms of the capacity of the Police Board to oversee the security for the Capitol. I know they are recognized as such, I just wanted to say that for the record.

Thank you.

Senator **Reid**. I am happy to see the Board here. I think it is good that we recognize that this is a Capitol Police Force, not a Senate Police Force or a House Police Force, but a Capitol Police Force.

Chief, do you have anything you would like to say?

Mr. **Kerrigan**. Yes; I have a brief statement I would like to make.

Senator **Reid**. Please proceed.

Mr. **Kerrigan**. Mr. Chairman and members of the committee, I am pleased to meet with you today to discuss the fiscal year 1990 budget request for the Capitol Police.

The year 1988 was busy for the Capitol Police. Our officers provided coverage for 226 demonstrations, 1,493 official visits, and 192 special events. 1,835 items of contraband were seized, a 57 percent increase, and 415 threats and nuisance-type contacts directed toward Members of Congress were investigated.

I am pleased to report that the Capitol Grounds actually reflected a 21-percent decrease in crimes against persons, while arrests were up 105 percent. The hazardous devices section was involved in 130 bomb searches, and 102 suspicious packages.

The Capitol Police were heavily involved in providing security for Members of Congress during the Democratic and Republican National Conventions as well as planning for the inauguration of President George Bush and Vice President Dan Quayle.

In order to improve the efficiency of our operation, funding has been requested to enable our personnel to receive further professional training in areas that can benefit the congressional community; protective operations, enforcement and investigative techniques, and procurement and budgetary functions.

In addition to this budget submission, we are proposing a new salary and retirement package for members of the department. We are losing our young officers at an alarming rate because our salary and retirement benefits are not competitive with other local departments.

Fifty-one percent of the officers that were appointed in 1983 are no longer with the Capitol Police, and of the 91 officers appointed in 1984 only 37 remain, a 59-percent loss. Moreover, it is very difficult for us to attract quality candidates with our current salary and retirement benefits, and those that are appointed are leaving in increasing numbers after they have been with the department for only a few years.

In closing, Mr. Chairman, I would like to personally express our deepest appreciation to the committee for the assistance provided to the Capitol Police.

Senator **Reid**. How many lethal weapons were seized? Do you have that?

Mr. **Kerrigan**. Lethal weapons? Yes, sir; if I may check on that.

Senator **Reid**. Mr. Giugni, while the Chief is looking at that, one of the questions that we presented to the Library of Congress, which you may have heard earlier this week at a hearing before this subcommittee, is whether there should be a consolidation of the Library of Congress police force with the Capitol Police. We are having GAO look into that.

I would like your views and if the members of the Board have any views on consolidating the Library's police force with the Capitol Police or the feasibility of simply having the Capitol Police provide for the security of the Library building. It seems to me that you do not need two police forces up here.

Mr. **Giugni**. As far as I am concerned, as a Board member, I believe I would be very happy to consolidate it with the Library of Congress. But it is a problem of turf. Whether they would want to give it up even if legislation were provided that we were to do so, I do not know.

Senator **Reid**. I guess what I am asking is can somebody on the Board give me a reason why the Library of Congress needs their own police force?

Mr. **White**. If I may, Mr. Chairman—not a direct response to that last question—but this issue was examined in some depth several years ago prior to this particular Board being in existence.

We could find no—as my colleagues agree—we could find no real reason why it could not be done. There were some obstacles based upon not only pay differentials and different retirement programs—it was just completely different.

But more than that, the term police force for the Library of Congress is perhaps not a precise description. They have two kinds of needs there. One is for Library guards to prevent people from leaving with books, and the other is for police activity. The actual police activity is very small as compared with the—I will term guard force need as every library needs.

That issue was approached at the time several years ago by the alternative of having two separate groups, one that were police doing police work, and the other a guard force just guarding the doors.

Senator **Reid**. That is what our GAO is going to look into. It seems to me that the Library of Congress is a great building. All of the facilities are extremely nice, and with some of the things that the Chief spends his time and his men doing, watching, appearance, and things of that nature. Certainly, that building is just as unique in many instances as some of the others that are guarded.

That is some of the duties that you have described for the Library of Congress, that is also true for the Capitol Police. That is sometimes what they are doing.

So I am going to look at that very closely as I am sure GAO will. I think one of the things we are all looking for is a way to make everyone's role more meaningful, and having a couple of police forces up here does not make sense in this area that we call the Capitol.

Mr. **White**. If I may, Mr. Chairman, one other factor that is useful to remember is that the Capitol Police now have responsibility for the exterior of the buildings.

Mr. **Russ**. One of the points that I want to make, Mr. Chairman is that I would like to see, if we assume responsibility for the Library, that the Library police officers assume the role of our security aides, and that perhaps we would have a police officer on each floor and we would respond to trouble.

Right now there is such a vast difference in police departments. It was proposed at one time that we would homogenize the two together, but we could never accept their police unless they had gone through the training that our police went through. For one thing, they cannot carry a pistol outside of that parameter. They do not have arresting privileges, I understand.

And our police officers are some of the best trained in the Nation, and we just could not assimilate them in.

Senator **Reid**. I understand.

Mr. **Russ**. But I would like to see, if we have to assume the responsibility, security aides inside the building backed up by a few police officers.

Senator **Reid**. But if that became jurisdictionally yours, you could make all of those arrangements.

Mr. **Russ**. Absolutely.

Senator **Reid**. You have the answer, Chief?

Mr. **Kerrigan**. Yes; I do.

In fiscal year 1988, we picked up 25 guns. Now that is up from eight weapons that we took away in 1987. If you would like, I can just go through several of those that we did pick up. There were five .22 calibers, one .32 caliber, seven .38 calibers, two .357 Magnums, one .44 caliber, six .25 automatics, and we recovered one .22 rifle, one .30 caliber rifle, and one 10 gauge shotgun.

Now that is not to say these rifles were picked up at the doors. Those could have been in automobiles that we have stopped and confiscated weapons from.

Along with that we also recovered 68 knives and other weapons that could be lethal, such as throwing stars that is something new that has been added to the list of weapons. Last year we recovered 11 of those, also three black jacks and seven sets of brass knuckles, a hammer, a hatchet, and four nun-chuks. It is quite a variety.

Senator **Reid**. Senator Nickles.

Senator **Nickles**. Where did you find most of these?

Mr. **Kerrigan**. At the entrances to the buildings, except for the rifles. We took most of the weapons away at the entrances.

Senator **Nickles**. But in the entrance to the Capitol or entrance to the House and Senate Buildings?

Mr. **Kerrigan**. Both, sir—both at the Capitol and the office buildings.

Along with that nonlethal, we took away 1,835 canisters of mace and tear gas.

Senator **Reid**. How many?

Mr. **Kerrigan**. 1,835—excuse me—1,687.

Senator **Nickles**. Is there a rule or law against carrying mace?

Mr. **Kerrigan**. Yes, sir; in the District of Columbia it is against the law to carry mace and tear gas.

We feel that probably a lot of that is attributed to the press that the District of Columbia is currently receiving about crime.

Senator **Nickles**. I think that is a ridiculous law. I have staff people that carry it, and I would not want to discourage them from carrying it. They end up walking from here—I am assuming now the jurisdiction of the Capitol Police—I do not know how far your circumference is.

There is some danger in this area, and I personally think that that is not a bad idea for them to have mace.

Mr. **Kerrigan**. Well, that is a District law. Anywhere in the District it is forbidden.

Senator **Nickles**. We will have to drop in on the D.C. Subcommittee about that.

Senator **Reid**. They have already been dropped in on a few times.

Senator **Nickles**. I understand. [Laughter.]

They have more problems than they can stand.

Mr. Chairman, I will make a comment, and I would be interested in your response.

I thought you had too many police. I have been surprised when you mentioned what, Henry—1,341?

Mr. **Giugni**. Yes, sir.

Senator **Nickles**. That is an astronomical number. That is the police force that is as large for a significant city. I do not know exactly what size is the city, but I would imagine a very large city.

Correct me if I am wrong.

Mr. **Kerrigan**. No, sir; you are correct.

Senator **Nickles**. And you are asking for another 78 positions?

Mr. **Kerrigan**. Yes, sir.

Mr. **Giugni**. If we get the fence around the Capitol—only if we get the fence around the Capitol.

Senator **Nickles**. I do not think you are going to get the fence around the Capitol.

Mr. **Kerrigan**. Not a fence.

Senator **Nickles**. Whatever you want to call it.

So if you do not get fences, you are satisfied with the numbers that you have right now.

I feel like you are almost teemed over with security, and again, tell me I am wrong, but it seems to me when I am driving the biggest security obstacle is whether I am going to run into a security officer. They are all over.

To have 1,341——

Mr. **Giugni**. Well, Senator, I find it very difficult to reply to that except to say we have 100 live Senators and 437 Congressman who are all alive, that it takes 1,300 to hold the job of security here. The security is not only for the building but for the lives of all you Members.

I would rather have an overabundance of policeman than have one too little who did not cover what he had to cover to protect this Congress.

Mr. **Kerrigan**. If I may add to that just a bit, it is the threats to Members of Congress on both sides that have increased dramatically, and we anticipate continued increases.

Senator NICKLES. How many details do you have in progress right now, say, for Senators and/or Housemen.

Mr. KERRIGAN. Right now, I believe there is one currently on the Senate. Right at this time there is one, but the number of details since last year has grown considerably, and the length of time they were having to spend on one of these details has also increased. It causes quite a burden on that group alone.

Senator NICKLES. I am still amazed that you are talking about 1,300 for the limited number of buildings in the confined area that you have. That is a very large number of police officers, and very expensive, too. What was this? $60 or $70 million?

Mr. GIUGNI. Yes, sir.

Senator NICKLES. A 10-percent, 12-percent increase that you are asking for when we are looking at total appropriations increase of maybe 3 percent. You are asking for a heck of a big bite in an area that—and again, correct me if I am wrong. I have not been on this committee forever, and I only had 9 years in the U.S. Senate, but I have always felt, just by observation, that we have an abundance.

Now, certainly in certain times, when you are talking about inaugural periods, I, like everybody else, probably go through a little shudder and think that if somebody was a very committed terrorist, they could cause a lot of problems, or during the State of the Union or other periods of time, you are glad to have very strong security.

But during normal operations, it seems to be a very—to me—that seems to be a very large number of officers for the number of buildings that are involved.

Mr. KERRIGAN. Like you say, there are many days I feel that I do not have enough, but we also have to understand that we have quite a few specialty units that some of the other police departments do not have. We have quite a large hazardous devices section. Canine is quite a large group. We have a CERT unit, which is the containment emergency response team, and would respond to any emergency. Hopefully we will never have one.

I would rather have these people here and never use them. They are constantly training, and that is for a terrorist attack or a hostage situation, or something of that nature.

We have many units that are here, available and ready to go into action if we do need them.

Senator NICKLES. How many arrests were made? You said arrests were up 105 percent. How many arrests were made?

Mr. KERRIGAN. If I can take just a moment to give you a breakdown of exactly what arrests were made.

Senator NICKLES. Certainly.

Mr. RUSS. There is some disagreement in this area, and I happen to be one who disagrees. If it is a matter of a pay raise and retirement system or an increase in the police department, I am for status quo. I do not think we need to increase the police department. We only have 250 acres.

And there are police departments—Prince Georges County for example, 500 square miles—with a lot fewer police officers than we have.

I am for a pay raise. I am for an adequate retirement system. I am afraid that we are kind of getting into a mode of just increasing, increasing, and not identifying the real problems. We are losing our best guys, and I feel if we can hold the line and give the pay raise and an adequate retirement system, I would forego any additional police officers.

Senator REID. If the Senator would yield, though, the police department you talked about does not have the turnover we have here.

Mr. RUSS. That is because they are well-paid. They are higher paid than we are.

Senator NICKLES. But I would also—correct me if I am wrong—but I feel that the police department in the District of Columbia and the police department in Prince Georges County are under a greater physical threat. Their lives are more on the line or in jeopardy. They make more drug arrests. They are involved in more hazardous duties and situations than the normal officer is on the Capitol Police Force.

Now I am not being critical in any capacity, but I look at a fireman or policeman that has a 20 year and out, which is what you are asking for—that is an extremely expensive provision if you look at it actuarially of what is the lump sum value of a 20 year and out. It is extremely expensive.

To me you can maybe justify that type of thing if a person's life is really on the line, if he is involved in making drug arrests, et cetera. So you need to be retiring when you are 40 years old because of that type of circumstance. Maybe that is justifiable.

But I do not see these jobs as being that difficult, that security is in a life-threatening situation. So maybe I have a little hesitancy from that standpoint, as well.

Senator REID. How many arrests did you find?

Mr. KERRIGAN. In 1988, we made 1,031 traffic arrests. We made 1,013 misdemeanor arrests; 175 felony arrests for a total of 2,219, which is up 105 percent.

Now the reason that is up significantly, a lot of it was that the misdemeanor arrests were up 142 percent alone, and that is mostly caused by the civil disobedience that we incurred during demonstrations here on the Hill.

Senator NICKLES. And those were misdemeanors?

Mr. KERRIGAN. Yes.

Mr. RUSS. If I could respond, I think it is harder to be a Capitol Police officer than it is to be a police officer in Prince Georges County. In Prince Georges County and some of the other jurisdictions you are dealing with a known element. Here you never know, and you have to be ready all the time.

Yes; our police officers may not be threatened every day, but you all are. We get the death threats, and instead of the police officer's life on the line, I think our mission is to make sure that your life is not on the line.

That is hard to do, day in and day out. We are the best trained police department in this area. There is no question about it. I think we have the finest young officers in the area with the hardest mission, to deal with the unknown, to never know when you are going to get hit.

I personally think we are overdue.

Senator NICKLES. I would disagree. I think that young officers that are getting ready to go into a public housing unit and go into a crack house—I think that is a tougher duty. I think it is more dangerous, and—again, this is my opinion—but that is tougher duty than the person that is sitting on guard outside the Dirksen Building.

Mr. RUSS. Police officers, by nature, are a unique lot. They leave this department to go to units that have high threat levels. They do not leave for reasons that you would think. They always leave to go to the unit that has the highest crime.

Senator NICKLES. Mr. Chairman, I have several additional questions, and I will just submit those.

Let me ask one question of Henry.

Your presentation of the salary expenses request for all of the Capitol Police as a joint item, can we now reduce the request of the Senate Sergeant at Arms by the amount requested in that budget for Capitol Police on the Senate payroll?

Mr. GIUGNI. I would have to ask the Chief of the Capitol Police to do that. I am sorry I cannot answer that. If there is a joint item, we cannot——

Senator NICKLES. But in your Sergeant at Arms budget, you also had money in for Capitol Police, so we can eliminate that now under the Sergeant at Arms budget. What is that amount?

Mr. DOHERTY. Approximately $24 million—I do not have the exact figure, but it is approximately that.

Senator NICKLES. Thank you very much.

Mr. DOHERTY. You were referring to the budget estimate?

Senator NICKLES. Yes.

Mr. Chairman, I have some other questions, although I would submit those, and thank the panel and thank the Police Board. I would echo your comments. I am pleased that the Board did come.

Senator REID. Before Senator Nickles leaves, I want to say something about the Capitol Police.

Having been a policeman and somebody that has been a prosecutor and represented people charged with crimes, I am impressed with the work the Capitol Police do. Their responsibility is different from that of an officer of the metropolitan police department in Las Vegas.

For example, we have coming here on frequent occasions heads of State and other foreign dignitaries such as Mr. Shamir from Israel. We have had the President of Egypt.

I do not know, but I have watched when we have had riflemen on the roofs of these buildings on such occasions. And you just cannot hire a rent-a-cop and have them do that. You have to have people that are trained and able to do that.

You also have threats to the security of our Capitol and office buildings. We were having a meeting, with the Nevada Society in the Mansfield Room the day the bomb was detonated in the Capitol a few years ago. We had just left the room a few minutes before that bomb went off. As a result of that we beefed-up our bomb details and things of that nature. That was at the beginning of the terrorist activities, principally from the Middle East.

I think that the police are to be commended—knock on wood—that there has not been so far, a serious incident because we know that there have been attempts made to cause trouble here and kill people.

So it may seem that there are a lot of people on the force—and there may be a few extra people around here. But it must be recognized, as the Sergeant at Arms of the House has said, that we have 100 Members over here. And the House has 435, that the police must try to take care of. It may well be that if these police officers were paid comparable wages, we would not have the turnover, and we could perhaps do with fewer people.

So that is why we make such a good team here on this subcommittee.

Senator NICKLES. What would Henry think if we had a reduction at 1,300 so you could give a decent enough raise that would reduce the turnover rate?

Senator REID. I would go for that.

Mr. GIUGNI. I would go for that. But I would like to say something to you, Senator Nickles.

One reason I am pushing very strongly—the Board is for jurisdiction in the District of Columbia—is also for something called pride among our police. We send them out to protect the Senators.

In a case recently, there was a threat against a Senator, and they caught the perpetrator. But they could not do anything about it. They had to wait until a police officer from the area to come in to make the arrest.

I feel that if we had jurisdiction and they are protecting you, if something went wrong, they could make the arrest, jail the individual, and prosecute him.

Senator NICKLES. Did that individual have a weapon? The one that was arrested?

Mr. GIUGNI. No; he did not. But it was a threat.

But we do not know whether they have a weapon.

Senator NICKLES. One final question, Mr. Chairman.

It was proposed by the Mayor of the District of Columbia to have a police force loan or allow the use of 400 or 500 police officers?

Mr. GIUGNI. 250. The drug problem is a nationwide problem. We are willing to help. Anytime the Mayor wants to sit down with our Chief, we are willing to sit down and work something out.

Senator NICKLES. Could you afford to loan them 250?

Mr. GIUGNI. The technical side has to be worked out without the Chief. 250, I think personally, is a very high figure because then you will say, "Well, why do we need 1,300 if we can give away 250," Senator. I do not want to give away 250.

Senator NICKLES. Well, maybe you can reduce it by 250 and give a 25-percent increase to the other 1,050 that are still on the force?

Mr. RUSS. I have a lot of unanswered questions about giving the D.C. government—police. We have not formally discussed it. Nobody has brought a proposal to us. We do not know how many officers they would need.

I have my own theory about it. I think we should arrest the buyer. Anyone would tell you in the drug industry that most of the drug dealings take place between the 1st and the 5th of the month and on the 15th—two paydays. I think it would be a little foolish for us to leave ourselves open here when we basically have a crime-free area, and not recognize that maybe they do need beefing up.

Let's attack it like it is supposed to be attacked—from the 1st to the 5th and maybe on the 15th, but arrest the buyers. Forget about the sellers. They are just swapping it back and forth, and—I hate to say this—like prostitutes. You arrest them at night. They are out the next day. They move to Baltimore, change their name, come back and they are back on the street dealing.

But if you arrest the Jim Smith—he probably will not run a red light to go buy that 200 or 300 dollars' worth—then we make some progress. Right now, to give the District of Columbia 250—I heard the number 500 one time—no one has said a word to us about this.

Mr. GIUGNI. But we are willing to sit down.

Mr. RUSS. We are willing to sit down and talk, but I think there are so many unanswered questions, and just to give them a number to do it may not be the solution. I know none of us is going to be riding in a squad car, so I want to make sure that our kids, or our men that were out there have the proper backing, the proper training, and I would like to wait and see what the final proposal is. But I just do not want to blanket give them 500 officers to go out and stand on street corners.

Senator NICKLES. We should probably talk to the Subcommittee on the District of Columbia.

Senator REID. They have been in contact with us.

ADDITIONAL COMMITTEE QUESTIONS

We have a series of questions that we want to ask you—Senator Nickles has some, I have some, but we have the GAO that is waiting, and we better get to them.

Mr. WHITE. Mr. Chairman, if I may for just a moment?

Senator REID. Please.

Mr. WHITE. There is one aspect that I do not think has been mentioned in terms of the numbers of police personnel that we need, and that is what is normal here is not normal in other places. That is to say demonstrations with 50,000, 100,000, 200,000 people—the NOW demonstration recently had something like—it is estimated between 300,000 and 600,000 people, depending upon with whom you speak.

But that is happening on a more or less continuous basis, particularly in the summer time. It takes a lot of personnel, ready and trained and able to handle that kind of group. The fact that it becomes a peaceable demonstration is not always due to the people who are demonstrating.

Senator REID. We understand that. Thank you very much.

[The following questions were not asked at the hearing, but were submitted to the Board for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

COST OF LIVING ADJUSTMENTS

Question. Please explain the request for $951,000 for a 4% cost-of-living adjustment in fiscal year 1990. Is this funding requested to cover a future pay raise?

Answer. Yes, we were anticipating another House 4% COLA in FY90.

Question. You are requesting $1.8 million for annualization of the fiscal year 1989 cost-of-living adjustment. Is this funding to cover the 12 month cost of the January 1989 civilian pay raise?

Answer. Yes, we used a twelve month figure when requesting the $1.8 million for the anticipated FY 90 COLA. $1.3 million would represent a nine month cost.

Question. If yes, please explain how you paid for the 9 month cost of this pay raise during fiscal year 1989.

Answer. We are using funds that are realized as a result of attrition, special duty pay, terminal leave pay, 6 K-9 positions funded waiting for authorization and funds realized as a result of the off-site personnel not hired until early 1989, to absorb the 4.1% COLA that was approved for January 1989.

Question. Please give the 3 month cost of the January 1989 pay raise.

Answer. It is approximately $450,000.

OTHER SERVICES

Question. You are requesting $210,000 for other services. Please detail what this funding is for and why it is necessary.

Answer. The actual increase within the other services major account requested in FY 90 is $223,000 ($216,000 as a result of FLETC). Of this, an increase of $21,000 is attributable to the category "workload change", while the remaining $13,000 is considered "price level change". This major account includes all services not specifically covered by any other object classes. The increase is attributed to such things as repairs and alterations to equipment, maintenance contracts, tuition and registration fees for training programs, conferences, seminars, etc., uniform maintenance and alterations (including laundry and dry cleaning), and professional services such as veterinary care, psychological evaluation, the employee assistance program, and testing and screening such as drug screening, written recruit assessment and management potential assessment.

NEW CIVILIAN POSITIONS

Question. You are asking for 4 new civilian positions. Please explain how these new positions will be used and why they are necessary.

Answer. An increase of $150,000 is requested to fund the four new civilian positions: $25,000 to hire once civilian computer programmer to replace a position currently held by a police officer; $25,000 to hire one civilian procurement clerk to replace again a position currently being held by a sworn police officer; and an increase of $100,000 is requested to hire two civilians for the Technical Security Division.

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

CAPITOL POLICE PAYROLL FOR SENATE

Question. With your presentation of the salaries and expenses request for all Capitol Police as a joint item, can we now reduce the request of the Senate Sergeant at Arms' by the amount requested in the budget for the Capitol Police and the Senate payroll? What is the amount?

Answer. Due to the uncertainty over the issue of funding the Capitol Police, the Senate Sergeant at Arms budgeted $23,866,000 for Capitol Police salaries. Agency contributions were not considered in this figure and were not requested in the Senate Sergeant at Arms' submission, however they were considered in the joint item submission. When providing the budget estimates we understand that Police salaries were included under both the Senate Sergeant at Arms and the joint item for the Capitol Police Board. However, for the purpose of scorekeeping, it was only counted once. This was footnoted in the President's budget submission.

FLETC

Question. It is my understanding that the Treasury Department is required by law to provide training to the U. S. Capitol Police at the Federal Law Enforcement Training Center in Glynco, Georgia, on a non-reimbursable basis.

Do you have any indication that this is about to change necessitating your requested increase of $216,000 for training tuition costs?

Answer. Tuition for recruit training at the Federal Law Enforcement Training Center (FLETC) has been funded for the past three fiscal years by the Treasury Department who was required by law to fund the tuition cost for the Capitol Police recruits. Since there is no assurance that a similar mandate will be forthcoming each year, in 1990 we must provided funds to cover these costs. We have budgeted $216,000 for the costs associated with our recruit training at FLETC. The total increase in our general expense budget from 1989 to 1990 is $405,000 (21%). However, without the requirement that we fund our recruit training at FLETC, the total budget increase from 1989 to 1990 would be $189,000 (10%).

During the House Appropriations Hearing, Chairman Fazio indicated that we would continue to see the Treasury Department pick up this cost and stated that it would probably be better not to request funding for it in FY 91.

MAGNETOMETERS

Question. You indicate that the Board has agreed to magnetometer screening of all employees entering the Capitol and Senate Office Buildings, and that financing and manpower to proceed with this screening are currently available with the exception of $192,000 in the Architect's budget for magnetometers to screen employees entering the Capitol from the House Office Buildings.

At the present time, employees are not required to pass through magnetometers when entering the buildings, and not all entrances have magnetometers.

When will the additional equipment for which funding has already been provided be installed, and when will you implement the Board's decision to screen all employees?

Answer. A preliminary shipment of nine magnetometers has been received by the Office of the Architect of the Capitol and is ready for installation at Senate Office Building entrances. However, prior to installation, approval from the appropriate authorizing Committees is being sought.

PAY SCHEDULES AND RETIREMENT BENEFITS

Question. You are requesting a number of administrative provisions relating to pay schedules and retirement benefits.

Do you anticipate that these matters will be handled by the Senate Committee on Rules and Administration, and the House Committee on Administration, the appropriate committees of jurisdiction for this legislation, or are you requesting that this Committee take action?

Answer. The appropriate House and Senate authorizing committees have been given identical packages and the Board will be working with both the Senate Rules and the House Administration in gaining approval.

GENERAL ACCOUNTING OFFICE

STATEMENT OF CHARLES A. BOWSHER, COMPTROLLER GENERAL

ACCOMPANIED BY:

MILTON J. SOCOLAR, SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL

IRA GOLDSTEIN, ASSISTANT COMPTROLLER GENERAL FOR OPERATIONS

RICHARD L. BROWN, CONTROLLER

PREPARED STATEMENT

Senator REID. Our final witness today is the Comptroller General of the United States, Charles A. Bowsher. It is a pleasure to welcome you, Mr. Bowsher. We have your statement, and if you would summarize that, we would appreciate it. We will make the full statement part of the record. If you have anyone with you, you are welcome to introduce them. Proceed with the highlights of your testimony.

Senator NICKLES. Mr. Chairman, before you begin, let me apologize to our panel that I need to leave. I also have some questions for the record that Senator Domenici would like to have requested as well as for myself. I want to catch the first few comments, and then I will have to leave.

Senator REID. Thank you very much for being here all afternoon, Senator Nickles.

[The statement follows:]

STATEMENT OF CHARLES A. BOWSHER

I am pleased to be here today to discuss our fiscal year 1990 funding requirements.

I have almost completed half of my term as Comptroller General, and I want to thank the committee for your support in helping to bring GAO where it is today. To maintain our leadership role and provide the Congress with the best support possible, we need to retain and motivate the outstanding people in GAO who are doing such an excellent job of meeting the challenges we face today. Also, your continued support in helping us gain control of the GAO Building, remove the asbestos, and modernize all of our facilities is a major contributor to our ability to attract top people to GAO and equip them with the resources needed to do their jobs effectively.

FY 1990 Request

We are requesting $385,354,000 to fund 5,200 average positions in 1990, and authority to obligate $5,564,000 in funds paid to GAO by Labor's Bureau of Labor Statistics (BLS) and Treasury's Financial Management Service for their share of costs associated with the operation, maintenance, repair, and protection of the GAO Building. Over 61 percent of the $38 million increase over the fiscal year 1989 appropriation is needed to meet mandatory pay and related costs ($18 million) and inflation increases ($5.4 million) for goods and services used to support the work of GAO at existing service levels.

Thirty-two percent of the requested increase is associated with a 100-average-position increase ($5.6 million) and other program enhancements ($6.6 million). The balance ($2.4 million) is to fund the purchase of microcomputers needed for audit and evaluation work. These microcomputers will bring GAO closer to its goal of 4,300 units by the end of fiscal year 1991.

If our request is approved, we will be able to move ahead in our efforts to recruit excellent new staff; train and motivate our people; and provide them with an efficient, healthy work environment as well as modern automated equipment and networking capability necessary to effectively and efficiently do their jobs. Thanks to the Committee's support, we have made some significant strides in these areas.

Accomplishments

Fiscal year 1988 has been one of our most successful years. We have addressed major national issues such as the deficit, the soundness of our financial institutions, important health issues, air traffic safety, major computer acquisitions, defense issues and controlling drug abuse. We have developed a strong level of technical expertise over a wide range of issues that is being called upon by congressional committees. Over 1,300 requests from the Congress for various GAO work products were received during fiscal year 1988. Responding to this challenge, GAO's divisions completed 1,433 jobs in 1988, and started over 1,500 new ones. At the end of the year we had over 1,100 jobs in progress.

At any point in time, we are usually handling requests from over 200 committees and subcommittees as well as from over 450 members. Congressionally requested work represents 82 percent of our total workload. This compares to an average of 61 percent over the past 5 years. This, I think, is an excellent indicator of how useful the Congress finds GAO's work.

Another indication of our increasing usefulness to the Congress is the record 227 times that we were asked to testify before congressional committees in 1988. We had 58 different GAO officials who served as principal witnesses at the various hearings. Only the Department of Defense testifies more often. I am pleased that GAO's findings and recommendations are of increasing value to congressional committees.

Also, we issued a record 825 reports to the Congress, committees, and members in fiscal year 1988--555 chapter and letter reports, 167 briefing reports, and 103 fact sheets. This is 22 percent more than fiscal year 1987. The number of laws and bill reports mandating GAO work has grown--from 5 in fiscal year 1983 to 35 in fiscal year 1986 to 94 in fiscal year 1988. All of the activity resulted in a record $23.6 billion in measurable financial benefits in fiscal year 1988. This level, which represents $71 of measurable financial benefits for every dollar appropriated to GAO, is more than $5 billion higher than previous records in fiscal years 1986 and 1987.

Highlights of FY 1988 Work

During fiscal year 1988, GAO made major contributions across many important areas. To assist the Congress and the new administration, GAO decided to try something new. We pulled together work we had done in recent years into 26 concise reports to the Congress and President-elect. Each report covers a separate subject area. The first 8 cover governmentwide issues. The remaining 18 are agency or department specific. The reports deal with significant issues such as the budget deficit, the savings and loan crisis, health and safety problems posed by nuclear weapons plants and persistent problems in government procurement.

Planning for a Responsible Budget

Among the most urgent issues facing the new administration and the Congress is the budget deficit. Unless this problem is solved it will hamstring the Congress and the administration's ability to achieve vital policy goals. There are no quick or painless solutions to the federal government's budget problem. The apparently simple or painless answers will not work.

I have frequently testified to this effect before congressional committees, pointing out that a bipartisan effort to control expenditures, increase revenues, and reduce the trade deficit is essential to getting the federal budget back on an even keel. The success of this effort demands good financial management systems. Federal managers and congressional leaders must have accurate and reliable financial data to make critical decisions during these difficult times.

In support of this, GAO has provided leadership, calling for agencies to incorporate sound accounting principles and consistently apply them across the board. Similarly, we believe agencies' financial data need to be verified independently by auditors following auditing standards issued by the GAO.

Safeguarding Financial Institutions

Depository institutions have been plagued by unfavorable economic conditions, inadequate internal controls, insufficient capital standards, and poor management practices. GAO has observed that the laws affecting depository institutions have become outdated and that regulations are no longer adequate. GAO has been in the forefront of this issue in estimating that it will cost at least $85 billion more than receipts available to the Federal Savings and Loan Insurance Corporation over the next several years to deal with the thrift industry's problems and has recommended modernization of banking laws to keep pace with the evolving financial services industry.

The stock market crash in October 1987 prompted a major report and several testimonies from GAO. GAO's recommendations included methods to improve automated trading systems on the exchanges, intermarket contingency plans, and methods to better coordinate regulation. GAO is continuing to explore issues relating to trading securities, individual investor protection, and the growing internationalization of markets.

There is a strong congressional interest in banking and securities issues, and we are planning to devote some of the additional resources requested to help us with the increasing workload in this area.

Health Issues

GAO has become increasingly involved in national health issues. For example AIDS research and prevention has become one of the most significant health issues of the 1980s. GAO reports have cited education as an important preventive measure in the battle with AIDS, and we have urged prominent federal leadership and guidance in developing a national strategy for preventing AIDS. We have tried to set an example of leadership by studying the issue of AIDS in the workplace as it applies to GAO, and, in so doing, we set standards on employer handling of AIDS. OPM adopted our standards as the model in developing its governmentwide policy.

Another major health issue is quality of care and the control of spiralling health care costs. GAO has continued to help the Congress find ways to improve the quality of health care at affordable prices. We have provided reports, briefings and testimonies on issues ranging from ways to enhance DOD's Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) to the need for the Veteran's Administration to more closely monitor the facilities that perform cardiac surgery to ensure they provide high quality surgical services. We expect quality health care will continue to receive considerable attention in the coming Congress and believe that our work will be of great value to the congressional committees as they seek solutions to the problem of ensuring that quality health care is available.

GAO is also continuing a major effort to help the Congress deal with the health care cost spiral, especially as it affects the major federal health insurance programs. We have recently reported that current Medicare payments overcompensate teaching hospitals for the indirect costs of medical education. In the near future we will be reporting on (1) ways to make managed care approaches under Medicare more effective, and (2) possibilities for reducing the level of reimbursements to clinical labs, durable medical equipment suppliers, and several medical and surgical specialties.

We are requesting additional staff to respond to increasing congressional interest in public health issues.

Air Traffic Safety

GAO testified more than 20 times in the past 2 years on issues affecting the operation of the Federal Aviation Administration's (FAA's) air traffic control system. Our work has highlighted both shortages in the FAA workforce and also delays and cost growth in modernizing air traffic control equipment.

FAA is now coming to realize that it must come to grips with serious personnel issues. Today, 8 years after the 1981 air traffic controllers' strike, there are almost 4,000 fewer fully qualified controllers than before the strike. Moreover, shortages of inspectors and maintenance technicians are having an adverse impact on FAA's ability to cope with increasing levels of air traffic. For example, some 4,300 technicians who maintain air traffic control equipment--over half the current work force--are expected to retire by 1995. We have called on FAA to develop staffing standards for its various work forces, upgrade its recruitment and training, and accelerate hiring for critical positions.

FAA's major modernization initiative, the National Airspace System Plan, has lagged behind schedule by up to 4 years and needs reevaluation. We have estimated the costs of all modernization projects at $25 billion by the year 2000, more than double the original plan estimate made in 1981. Our work on individual projects within the Plan has shown that cost, schedule, and technical problems have hampered many of the systems, and FAA has not always followed prudent procurement practices.

Given the importance of a safe, efficient air traffic control system, we expect continued high levels of congressional interest in these issues, and we will also focus on the broader questions of the management improvements and federal funding required to effectively carry out air transport.

Major Computer Acquisitions

Large ADP systems are becoming the lifeblood of the Government. The acquisition of these systems has been replete with difficulties and problems causing inefficiencies and unnecessary expenses. We are seeing increased congressional interest in these matters as the

Congress is asked to fund more and more systems at higher and higher costs. We have conducted reviews of a number of these large systems. For example, we issued several reports addressing various aspects of the Social Security Administration's (SSA's) system modernization activities, the Internal Revenue Service's (IRS's) efforts to modernize its 30 year old system, and the effectiveness of Department of Defense's (DOD's) automated information systems.

The SSA is undertaking a major effort to modernize its systems. GAO was asked to examine their effort and we reported on management and technical issues that are preventing the agency from adequately predicting the computer capacity needs to support its modernization efforts. If SSA's system is not modernized, its ability to efficiently and effectively pay its recipients could be jeopardized. SSA projects the total cost of this modernization in excess of $1 billion.

We have also reported on IRS efforts to modernize its 30 year old tax processing system which is used to collect hundreds of billions of dollars of tax revenues each year. To be successful in this effort, it is essential that IRS provide increased top management attention and technical expertise. We have reported on IRS's need to identify redesign alternatives and cost benefit analyses for the modernization program as well as the need to provide sufficient computer capacity and better test new systems.

DOD spends in excess of $8.3 billion annually to acquire, develop, maintain, and operate its automated information systems that support military functions such as supply and maintenance, technical data, and manpower management. The expected life-cycle costs associated with these systems exceed $80 billion. In addition, mission systems largely for command, control, and communications, cost more than $22 billion per year, with expected life cycle costs exceeding $90 billion. In recent years we have reported that many of these Defense systems far exceeded their original cost estimates, became operational later than scheduled, and fell significantly short of originally approved performance expectations. We have found that design flaws, misjudgments in requirements and poor program management have caused or contributed to these problems.

In 1990, GAO is planning to review computer systems, telecommunications, and information resource management issues, each of which is essential to carrying out some of our nation's most vital functions. If the systems do not meet their objectives, the impact on individuals and the nation could be devastating. GAO will be reviewing these systems to provide the Congress with information and analysis on, among other things: (1) whether these systems work as planned, (2) whether the systems are being implemented in the most cost effective manner, and (3) whether the approach being used is technically reasonable and feasible. We have requested additional staff to help us meet expected increases in congressional request workload in this area.

Defense Issues

The military budget doubled between 1980 and 1985 and, in my view, many of the problems that we see in defense can be traced to this buildup which was too much, too fast. GAO continues to devote a significant proportion of its audit and evaluation efforts to defense. The problems identified by that work are numerous, but let me highlight a few.

--Bow Wave

For 1989, the defense budget stands at $300 billion, and DOD will likely have to live with constraints or no growth budgets for some time to come. Yet, each of the services estimates the need for many billions of dollars more to complete its modernization and expansion programs. For example, DOD recently estimated the cost of the first strategic defense system at $69 billion, and other estimates of the cost for deploying a full population protection strategic defense system range as high as a trillion dollars. In addition to the high costs to acquire weapons, additional billions of dollars will be needed to operate and maintain them. DOD must adjust its proposed programs and spending patterns to recognize current fiscal realities.

--Cost Overruns

The procurement of weapons takes a large portion of the DOD budget, and the process for acquiring them must be stabilized. Without stability, the process will continually face uneconomical program stretchouts and management deficiencies which lead to cost overruns. Since the mid-1960s, the DOD budget has been characterized by rapid growth followed by austerity followed by rapid growth again. This instability inhibits managers from making sound decisions which are needed to avoid subsequent cost overruns.

--Strategic Bombers

Two new strategic bombers--the B-1B and the B-2--are a significant part of the efforts to modernize the Nation's nuclear deterrent force.

After spending over $30 billion, however, the B-1Bs do not work as planned because of deficiencies in the defensive avionics system and continuing support and maintenance problems. Our work showed that the fast paced B-1B production schedule, which was driven by the need to meet an early initial operational capability date, conflicted with the orderly completion of development and flight testing.

GAO has been examining aspects for the B-2 Stealth Bomber program since September 1985. These bombers will be extremely expensive and the U.S. Air Force (USAF) has recently confirmed cost growth of about 16 percent in the program. USAF's new estimate for 132 B-2 bombers totals $68.1 billion.

--Navy Shipbuilding

Our work on the U.S. Navy's shipbuilding program shows that significant contract cost overruns are being experienced. Early last year overruns of almost $2.1 billion, or 18 percent over target cost, were being projected for 21 contracts involving 60 vessels. A matter of particular concern is that overruns increase the likelihood of contractor claims against the government. We are continuing to monitor this area.

--Inventories Management

To support its weapons systems, base operations, and other activities, DOD's inventory of secondary items, such as space and repair parts, is at an all-time high. At the depot level alone, the value of these items grew from $43 billion in 1980 to $94 billion in 1987. While much of this growth resulted from increased costs due to inflation and the need to support weapon systems modernization, a sizable portion represents unneeded inventories. The amount of unneeded secondary items increased from $10.1 billion in 1980 to $28.9 billion in 1988, much faster than needed items. In 1987, unneeded inventory represented 31 percent of total inventory compared with 23 percent in 1980. More efficient inventory management by the military services and defense agencies can reduce these inventories, which could free defense dollars for other areas without reducing readiness.

--Procurement Complexities

The DOD procurement system is probably the largest and most complex in the world, and management of it has always been formidable. The unprecedented peacetime buildup of defense during this decade, coupled with disclosures of excessive prices paid for spare and repair parts, followed by the current procurement scandal have placed tremendous pressure on the procurement system. We will continue to maintain an extensive audit effort in this area focusing on such matters as the pricing of defense contracts, use of consultants, and the internal controls over the award of contracts. Continuation of DOD's efforts to increase the professionalism of its procurement workforce is very important. Frequently, key acquisition positions are filled with people who are unprepared for their assignments.

The Nuclear Defense Complex

One defense activity with enormous budgetary implications is the manufacture of nuclear weapons. The Department of Energy oversees weapons production in the nuclear defense complex, consisting of some 50 facilities located around the country. GAO's work over the past several years has been instrumental in bringing to the forefront the serious environmental and safety problems surrounding the aging complex. These problems include (1) uncertain emergency cooling systems and seismic bracing of nuclear reactors, (2) deteriorating equipment and buildings, many at or beyond their expected lifetimes, (3) high levels of groundwater contamination, (4) serious accidents that have been hidden from public scrutiny, and (5) inadequate radiological protection programs at buildings that process plutonium.

In October, 1988, we estimated that the investment needed to correct these problems will likely exceed $130 billion. Modernization plans under consideration, which include expanded plant capabilities and relocation of some facilities, could add at least another $15 billion to $25 billion. Given the enormous costs involved and the public's interest in assuring environmental and worker safety in nuclear operations, we expect our work in this area to increase over the next several years.

Controlling Drug Abuse

Drug abuse is a major national problem despite increasingly expensive federal anti-drug efforts. GAO produced a special report on controlling drug abuse that was initially distributed for use by a congressionally mandated White House Conference for a Drug Free America. The report has received extensive congressional and public attention (12,400 copies have been distributed).

Since 1982 the military has played an ever increasing role in the war on drugs. The military is no longer simply playing a support role to civilian law enforcement agencies, it has been assigned a lead role in certain areas of interdiction (anti-smuggling). Questions exist whether enough military resources can be applied to make a difference and whether resources are applied effectively. In hearings on federal anti-drug efforts and the proper role of the military in "the war on drugs", we testified that our present drug abuse control strategy is not working and cautioned the Congress and the executive branch against expanding law enforcement and international programs aimed at controlling illegal drug supplies. We also warned against increasing military assistance to drug interdiction programs, which have failed to significantly reduce drug smuggling. The Anti-Drug Abuse Act of 1988 reflected our conclusions that the military should continue to provide technical and logistical support to drug law enforcement agencies but should not be given arrest, seizure or domestic intelligence gathering authority; that authority for developing a unified anti-drug strategy should be vested in a single individual reporting directly to the President; and that it is time to consider devoting more emphasis and resources to programs aimed at reducing the demand for drugs--prevention, treatment and research.

GAO's future work will focus on the overall cost and effectiveness of drug abuse control efforts. GAO will identify ways to improve Congress' ability to make decisions about which anti-drug programs work best and where limited federal resources should be concentrated. In addition to assessing law enforcement and international narcotics control programs, GAO will devote increased emphasis to evaluating demand reduction programs. For example, a special GAO report on drug abuse noted that drug treatment facilities in major cities cannot meet the demand for treatment services. GAO is now assessing the effectiveness of methadone maintenance as a treatment for heroin addiction, and plans further studies of treatment methods and capabilities.

* * *

Overall, GAO work is focused on significant national issues that face the Congress. Our work continues to be more responsive to congressional needs than ever before, and we expect an increased demand to provide the Congress with important insights into federal programs and issues during the coming year.

GAO's role goes beyond auditing and evaluating federal programs. For example, we are involved in setting government auditing standards, issuing legal decisions, resolving bid protests, and settling claims for and against the federal government. GAO has traditionally played an important role in setting standards followed by the audit profession. Last year we issued the second major revision since 1972 in government audit standards. These standards must be followed in auditing all government organizations, programs, activities, and functions, as well as government funds received by contractors, nonprofit organizations, and other nongovernment entities.

The revised government auditing standards--encompassing financial and performance audits--are designed to help ensure full accountability and to provide public officials, legislators, and taxpayers with information on whether government funds are handled properly and in compliance with law and regulations and whether government programs are achieving their intended purposes in an economic, efficient, and effective manner. The new standards, which apply to all audits starting after January 1, 1989, will help assure proper management of the taxpayer's dollars in government accounting and financial management systems.

Related to this effort is our involvement with the Governmental Accounting Standards Board, which we have supported since fiscal year 1985. Standards set by the board will help us considerably as we audit the use of Federal funds by state and local governments.

In addition, GAO handled 6,255 separate legal matters during fiscal year 1988. These included legal decisions and advice, bill comments, and legal opinions and interpretations for the Congress.

Staff Increases

As I mentioned earlier, we have had a number of notable successes over the last fiscal year but more needs to be done. For that reason, I am requesting an increase in average positions to provide more comprehensive coverage of major national issues and to better respond to increasing congressional requests for GAO products. $5.6 million is needed to fund the additional 100 average positions we believe necessary for GAO to meet the additional workload.

The 100 additional average positions are planned for use as follows:

-- Twenty-five to conduct audit work related to the soundness of financial institutions and markets.

-- Twenty-five to support new initiatives and expand work in such defense procurement and management issues as weapons systems acquisition, contract pricing and contractor compliance, use of consultants, and NASA and space-related issues.

-- Twenty to provide more coverage of government-wide ADP and telecommunication systems such as FAA's air traffic control, GSA's FTS 2000, SSA's systems modernization, DOD's defense automated information systems, and space and space-related information technologies.

-- Twenty to respond to strong congressional interest in the nuclear energy area, particularly relating to nuclear waste management and nuclear safety.

-- Ten to meet increased congressional interest in national health issues and concerns such as AIDS, public health, child health, and catastrophic health insurance issues.

Our Justification of Estimates for Fiscal Year 1990, which you already have, describes our request in more detail. We have succeeded in achieving greater operational efficiencies over the last several years. But much more remains to be done, and it will require a further investment of resources. I believe that this investment will yield major benefits. It is incumbent upon GAO like any other federal agency to use tax dollars as efficiently and effectively as possible. In order to do this, we have undertaken several internal initiatives that will result in a more effective and productive workforce. These initiatives will require considerable commitment and effort for the next several years.

Operational Efficiencies

I believe that for GAO to produce high quality and timely work for the Congress we need to:

-- Continually seek operational efficiencies,

-- Make certain that our professional staff have access to modern, automated equipment to assist them in their work,

-- Recruit the finest people possible,

-- Train our people on a regular and continuing basis always emphasizing the utilization of modern audit and evaluation techniques especially at the senior management level,

-- Motivate the staff through pay incentives, job status and satisfaction and,

-- Provide our staff with a safe, healthy, pleasant work environment.

If we are able to achieve these objectives, we can provide the Congress with the finest service possible.

-- Operations Improvement Program

In recognition of the central role of each employee in achieving operational efficiencies, we have an active program designed to elicit, study, and implement ideas from staff throughout the organization of ways to improve the efficiency and effectiveness of GAO's work. This Operations Improvement Program (OIP) provides for the recognition and reward of individuals who submit beneficial suggestions that result in further operational efficiencies. In addition, we have just developed a new quarterly indicators report to document our progress.

As new and innovative approaches to doing our work better are proposed, we test them and determine if they help us improve our ability to provide the Congress with more timely work of good quality. One such test involves the concept that sometimes it may be more efficient to buy skills on a temporary basis than to use permanent GAO staff. Over the last several years, we have increased the use of consultants and experts in our audit and evaluation work and found it has increased staff efficiency and our ability to absorb an increased amount of work.

In response to a request from this Committee, we are now planning to conduct a carefully structured test whereby we would contract for selected kinds of tasks in support of our audit and evaluation work. We will focus on two key evaluation topics: the feasibility of contracting and the relative performance we obtain by doing work ourselves versus using contractors' assistance. Because fair and open competition to obtain contractors for the selected tasks will take time, we have planned a series of reports. We expect to provide an initial report this fall on GAO contracting together with supplementary data on contracting by IGs and by OTA. If we succeed in having the contracts in place by about June 1989, we should have some limited answers for the Congress by March 1990 based on our experience up through the previous fall. We are planning for a second year of contracting which will allow us to present a third, more definitive report later in 1990.

As another example, we are examining the efficiency and effectiveness of maintaining our current sub-locations around the United States. After careful review, we have decided to close sub-offices which are located at Eglin AFB, Florida, Knoxville, Tennessee, Ogden, Utah and Richland, Washington. These closings will result in greater flexibility in staffing jobs. We intend to continually review our need for our sub-offices and maintain only those which can demonstrate efficiency and effectiveness advantages.

--ADP Equipment

We have achieved many efficiencies in our audit and evaluation work by introducing and capitalizing on the microcomputer technology. We have automated virtually all of our word processing and spread sheet production and have made extensive use of database applications. We routinely pass text and data electronically and have automated much of our graphics output. These capabilities have enhanced our ability to respond quickly to the complex issues that we must address. During the past year, for example, our assessments of the "Black Monday" stock market crash, Medicare and Social Security beneficiary programs, aviation safety, and trade and budget deficit reduction efforts demanded the type of complex analyses that could not have been performed in a reasonable timeframe without such automated resources.

We have developed a long range information resources plan which details GAO requirements for its administrative support and mission support systems and describes appropriate automated solutions to both. The Administrative Support Systems portion of our program, based on consolidation and use of off-the-shelf systems to the maximum extent possible and integration of common data and systems, is on schedule and within budget estimates. We selected the Department of Agriculture's National Finance Center (NFC) as our primary site for administrative processing. In fiscal year 1988, we established our supply system there. In early fiscal year 1989, we successfully moved our payroll/personnel system to that location. Later this year, we will bring up our property system, and we are in the process of developing an updated management information system which should be operational by October 1990.

Also, in response to a request by your committee in the report accompanying the fiscal year 1989 Legislative Branch Appropriation Bill, GAO has initiated a study of 3 legislative branch agencies to identify appropriate opportunities to consolidate automated administrative support systems. We have completed our initial review of system sharing opportunities and are now preparing a plan which will outline the leadership role GAO expects to play in encouraging system consolidation. We have generally found that there is opportunity for significant savings by sharing systems such as payroll, personnel, property, and supply, rather than each agency developing its own tailored systems to meet its own specific situation.

Our plans to enhance mission support processing call for use of a 3-tiered solution of our requirements: (1) Microcomputer work stations will be utilized to provide end users with flexible processing tools. (2) Shared-resource processors will allow us to provide networks linking whole work groups in Washington with regional offices and provide full office automation as well as local report processing services. (3) Access to timesharing service will continue to be available to provide for complex analyses of large data files with many records.

We submitted a letter to the Committee in January providing additional details on the proposed architecture needed to support our mission processing needs. We firmly believe that this architecture is the best solution for the future, and although it will require an initial resource investment, it will result in savings in time sharing costs in future years and lay the technological foundation for GAO's work for the Congress in the 1990's. Although we have begun efforts to modernize our mission related data processing, we still have a long way to go. It is essential for us to have a networking capability that will permit our auditors to collect and evaluate data, share information between regions and offices, draft reports and produce final products electronically.

For fiscal year 1990, we are requesting funding to move GAO closer to this networking goal, as well as our goal of acquiring 4,300 microcomputers by the end of fiscal year 1991. The acquisition of additional microcomputers will serve to further enhance staff efficiency and provide us with the requisite number needed to satisfy our low end processing needs. We will continue to test the shared-resource capability and further define our requirements during fiscal year 1990 to be ready to procure appropriate devices in 1991. With the appropriate number of microcomputers, proper networking and the necessary shared resource capability, we believe we will be able to meet our mission processing needs.

-- Increased Emphasis on Recruiting

The nature of our work not only requires modern electronic capabilities, but top quality staff as well. We have found that GAO can attract the best people, but as a government agency, we have to work very hard at our recruiting effort.

We have created a National Recruitment Program which uses GAO's senior managers as "campus executives" to foster long term relationships with colleges and universities capable of producing some of the finest people. Further, we are relying on modern recruiting techniques to attract the best people possible.

-- New Training Initiatives

In recognition of the need to make a strong commitment to the training and development of our employees in an environment of increasing work complexity and accelerating change, we established the GAO Training Institute (TI) during fiscal year 1988. An important phase of TI's training initiatives is the identification of executive and management training courses for improving technical skills and abilities. The direction of highly skilled, multidisciplinary teams requires technical training to enable executives and managers to ensure the quality of GAO's work by bringing into proper focus the ever-increasing complexity of government operations and public policy issues. To meet these challenges, TI is selecting courses at major universities, as well as designing courses for GAO's curriculum.

In addition, we adopted the requirement of the 1988 Government Auditing Standards that all audit and evaluation staff complete a minimum of 80 hours of continuing professional education every 2 years to ensure that GAO work is done by staff with the latest technical skills. TI will monitor the implementation of this new training initiative.

Through the Training Institute, we will continue to place strong emphasis on the identification, development, and delivery of the most appropriate courses needed for the continuous development of our staff's knowledge, skills and abilities.

-- Increasing Staff Motivation

We believe it is essential to be able to reward our excellent performers more than our average ones. The current civil service system does not permit this. We are effecting better means to reward our staff for job excellence. Following last year's discussion with relevant committees and staffs, GAO implemented the first phase of its Pay-for-Performance (PFP) system on June 16, 1988.

We are implementing our new pay system in a way which, we think, will ensure success. We still face some very real challenges--ensuring that our process for making the first year bonus decisions is fair and ensuring that our staff is properly trained to effectively implement the features of the new pay system. We have extensively briefed our managers and staff on the new system, and we are providing training that encompasses 5 areas: (1) expectation setting, (2) feedback and coaching, (3) PFP implementation and change, (4) revisions to our appraisal systems, and (5) the new assessment process.

Greater rewards go hand-in-hand with higher expectations. We expect our senior managers to be expert in their respective issue areas and to represent GAO in testimony before the Congress and speak for GAO on national matters. Consistent with that philosophy, I have recently announced that we are revising the titles of associate directors to directors of their respective areas to bring them more in line with the extent of their responsibilities. The new titles reflect the nature of the positions. The changes also reflect the role of the Associate Director as the lead person for the agency in the particular area of responsibility. Also, we have revised the titles of the directors of the Accounting and Financial Management Division, the Information Management and Technology Division, and the Program Evaluation and Methodology Division to Assistant Comptroller General. These 3 executives direct our technical divisions and are now in parity with our program division heads whose titles had previously been changed. We have also reorganized the Office of the General Counsel to align our attorneys with the work being done by the program and technical divisions and thereby enhance each division's ability to respond to congressional requests more expeditiously.

-- Improving the Working Environment

Another key factor in enhancing our efficiency and effectiveness is improving the quality of life for our people. Congress helped us take a step in that direction with passage of the GAO Building Transfer Act which transferred custody and control of the GAO headquarters building from the Administrator of General Services to the Comptroller General in October. We are very pleased that this legislation passed. Our control of the building coupled with the authority to enter into a single coordinated contract for both asbestos removal and modernization should result in project completion in substantially less time and at substantially lower costs. In addition, the efficiency and productivity of GAO staff will be enhanced by the installation of proper ventilation, adequate electrical capacity and lighting, and efficiently designed workstations. While GSA had control of this project, it took 7 years to complete renovation of two and one-half floors of office space. With your approval of an amendment to GAO's appropriation language permitting the issuance of a multiyear contract for the repair, alteration and renovation of the GAO Building, we will be able to complete the renovation of the remaining four and one-half floors of office space before my term of office expires in 1996.

In addition, as part of providing a highly professional work environment, we are planning for the construction of day care and fitness centers in our headquarters building, and we are looking into ways of providing these services to our regional staffs.

GAO is requesting congressional approval to obligate $5,564,000 from funds paid to GAO by BLS and Treasury for their use of space in the GAO Building. These funds are to be used to offset the cost of the operation, maintenance, repair, protection, and alteration of space in the GAO Building in accordance with the GAO Building Transfer Act. These funds are going to be required for proper operation and maintenance of this facility in fiscal year 1990.

We believe that providing a highly professional work environment with the equipment necessary for staff to do the best possible work is of the highest importance to attracting and maintaining a skilled and motivated staff. To properly integrate our work and improve timeliness and efficiency of our operations, all GAO employees in regional offices must have similar equipment and support capabilities as employees in the GAO Building. As regions are required to move due to expiring leases and other factors, those office environments are being upgraded as well.

INTOSAI Congress

An item that will not affect our 1990 appropriation request, but that has future year budget implications is the upcoming INTOSAI Congress. For nearly 20 years, GAO has been a member of the International Organization of Supreme Audit Institutions (INTOSAI), which is composed of national government audit offices of 147 nations. In April 1985 with the approval of the Congress, we notified INTOSAI of the U.S. Government's willingness to host for the first time the annual meeting of the INTOSAI governing board in 1991 and the INTOSAI Congress in 1992. Planning for the Congress began in fiscal year 1987 and will continue for the next 3 years. Our current estimate is that this INTOSAI Congress will cost in the range of $2.5 to $3 million due in part to the need to provide five-language translations for the delegates and other unique logistical requirements of an international conference including security services.

Conclusion

People working together is what enables GAO to contribute to major issues facing the Congress. People in headquarters, field offices, assigned to congressional committees, providing administrative support, and testifying before congressional committees produce products that GAO is proud of and which our principal customer, the Congress, can easily recognize. Our fiscal year 1990 request is designed to provide the resources needed for our people to continue to contribute to the work of the Congress.

GAO is an organization that can deal with change and deal with it successfully. GAO has been able to change over the years and avoid stagnation, and we must always seek to move forward and attempt to increase our ability to do our work more economically, efficiently, and effectively.

We strongly believe that our record of accomplishment warrants the support you have given to us in the past. We hope that you will continue in the future to support a strong GAO comprised of well-qualified, highly motivated personnel equipped with modern audit and evaluation resources, working in a modern and efficient office environment.

This ends my formal statement, Mr. Chairman. I am pleased to have this opportunity to respond to your questions.

OPENING REMARKS

Senator **Reid**. Mr. Bowsher, would you summarize your statement, please?

Mr. **Bowsher**. Yes; I would be pleased to do that.

Thank you very much, Mr. Chairman.

Senator **Reid**. We appreciate your patience in waiting here this afternoon.

Mr. **Bowsher**. Well, that is understandable.

First, let me say that it is a pleasure to be here to meet with you gentlemen, and to thank the committee and the Congress for the support that we have had in past years. Although we have not grown in size over the past 10 years, we have had the support from the Congress to properly train our people, to do the traveling that we have to do in our type of work, and to properly operate the GAO. Therefore, we have been able to achieve some very significant results.

Financial benefits from our work this past year were about $23.6 billion, and that is up considerably from what it was a few years ago. We were running about $4 billion a year for a number of years, and then we made a major effort to do more of our work in areas where savings need to be identified. In the last couple of years, we hit $18 billion, and then this past year we hit over $23 billion.

We also had a record year this past year in the number of reports we were able to issue and the number of testimonies. We testified last year 227 times, second only to the Defense Department. So it was a very, very busy year.

FINANCIAL INSTITUTIONS

We also have worked on some very major issues in the past couple of years. The financial institutions have been, of course, a big one. We started our work in this area in the early 1980's.

We had not done much work in that area because our banking systems and our capital markets were pretty stable. But we started some work in the early 1980's, and then when the stock market crash came in October 1987, we were asked to do a lot of work by the Congress, and we did that. Then, of course, we became involved in this S&L crisis. So this has been a very big area for us.

DEFENSE

We spend one-third of our resources on the defense area, and I think that is going to be, of course, a very important area in the next few years because of the budget deficit. The overall budget deficit has led us to, what I think will be, difficult years in the defense budget. We are just not going to have as much money as the requirements that are going to be there. So the GAO is going to be doing a lot of work trying to find areas of savings in that area.

TRANSPORTATION SYSTEMS

Another area that we have done a lot of work in is the FAA, the national airspace system [NAS] plan, which represents a nearly total modernization of the air traffic control system and is the largest civilian procurement since the Apollo program. We have been reporting on the enormous cost growth and schedule slippages in the NAS plan for some time. Air traffic controller shortages, workload, and training issues also have been an important area for GAO's work.

HEALTH CARE

Federal health care programs, needless to say, are also very important. We, as well as many others, have worked on the Medicare/Medicaid programs. Our issue focus has been on controlling health care costs while assuring access to quality care. Addressing this issue is extremely complex and solutions that balance cost, quality, and access are not readily apparent.

NUCLEAR WEAPONS PLANTS

So these are some of the important areas on which we have worked and reported. Nuclear weapon plants are another serious problem that is going to probably cost the taxpayers over $100 billion——

Senator REID. Mr. Bowsher, I am wondering if I can interrupt?

Mr. BOWSHER. Sure.

Senator REID. We have your statement.

Before you leave, Don, why don't you ask some questions because I am going to be here a while, and I would solicit you to do that. That would be fine.

FEDERAL DEFICIT

Senator NICKLES. I appreciate that.

The part of the thrust of the questions by Senator Domenici and Senator Gramm deal with maybe some—I am going to say the politicizing of some of the work that was done by GAO. Do you have a comment on that? I will submit their questions.

Mr. BOWSHER. I would like to address that, Senator Nickles, because of——

Senator REID. Don't you have a film to show us, too, later on?

Mr. BOWSHER. We do, over here.

Senator REID. This is something Senator Johnston has a question along the same line.

Senator NICKLES. How long is the film?

Senator REID. Seven minutes.

But we can see it after you leave, but Senator Johnston has asked me to ask the same questions along the same lines about maybe the GAO, generating a result.

Mr. BOWSHER. We are not——

Senator REID. You have heard from Senator Johnston before?

Mr. BOWSHER. Yes; in fact, I met with him earlier this week to try to have a good understanding on the thing.

But what we have tried to point out is the seriousness of the Federal deficit. I really think the numbers are bigger than what the official numbers are, and we have spoken out on that issue and tried to show the various committees this seriousness. I would be happy to take you through some of the numbers here. I can do it in just a few minutes.

Senator **Reid**. Go ahead.

Mr. **Bowsher**.

[Pause.]

Mr. **Bowsher**. I think if you look at the numbers here—just take fiscal year 1986, the first column—you will see that the budget deficit is $221 billion, and that is where we started the Gramm-Rudman process, and you will see that the surpluses from the trust funds were $62 billion, the number right above the $221 billion figure.

If you move over to fiscal year 1988, you will see that we are down to $155 billion, which is the official number as we closed up the books last September 30.

One of the problems is with the process itself. In other words, we are on a cash basis of accounting, and so we close up these years without any estimates in there for problems that we already know about, like the S&L crisis, the cleanup of nuclear weapons plant waste, the cost overruns of defense, and everything like that.

So what I am saying is our process really needs to consider whether we should not have some accruals in there like you would normally do in most organizations for known problems so that you are not kidding yourself when you state how large your budget deficit is. That is one major problem.

Then if you look over on fiscal year 1990 there, you will see $136 billion. But now look at the number above. $127 billion of that is being contributed by trust fund surpluses.

Senator **Reid**. Let me interrupt there, please?

Mr. **Bowsher**. Yes.

TRUST FUND SURPLUSES

Senator **Reid**. Are these moneys actually spent—the trust fund moneys? Are they actually spent? Do you understand what I am saying?

Mr. **Bowsher**. Yes; I do.

No; these are surpluses. In other words, the moneys that have been spent are less than the money that is coming into these trust funds. So, they, therefore, contribute to having less of a deficit on a unified basis.

So these are really surpluses, and Social Security is the one that illustrates it the best. If you look on the line for fiscal year 1986, you will see $17 billion as a surplus for the Social Security trust fund.

What that means is that on the payroll taxes that we take from everybody, we are gaining in fiscal year 1986, $17 billion more than what we are paying out. That is exactly right.

Now if you look across to fiscal year 1990, you will see $63 billion.

Senator **Reid**. I know. But my point is that we are not spending those moneys. Those surpluses are still there, aren't they?

Mr. **Bowsher**. The surpluses—the cash is gone. In other words, I have a report here——

Senator NICKLES. I am on the Budget Committee and I wrestled with this, and I happen to agree with a lot of what you are saying with the exception of that that money is gone, and all there is is T-bills, and somebody is going to have to pay the T-bills back.

Mr. BOWSHER. Yes; that is right. My concern is that when we look at the budget deficit, it is important to look at the components. I am not advocating in any way that they do away with the unified budget, because it is important to know what the total impact of the Federal budget is on the economy.

But it is also important to know what your general government operations are doing, what your trust funds are paying, what your public enterprises are costing like the U.S. Postal Service and then, if you want, you can split those figures between capital and operating budget authority. But you can debate that argument whether you would want that split or not.

Senator NICKLES. My point is that one, we want and expect, I guess, GAO to be responsive, and two, not to be running on an agenda.

Mr. BOWSHER. We are not running on a political agenda. I can assure you of that, Senator Nickles.

Senator NICKLES. In other words, all I am trying to do is get the facts out and not in any way drive the political judgment. That is the elected officials role.

Let me ask two other quick questions. You were requesting a budget of how much?

FISCAL YEAR 1990 REQUEST

Mr. BOWSHER. $385 million.

Senator NICKLES. And how many people do you employ?

Mr. BOWSHER. We have about 5,100 average positions, and that is where we have been for several years now. The request is for another 100.

Senator NICKLES. It adds another 100 for what—$5.6 million, is that correct?

Mr. BOWSHER. That is right.

Senator NICKLES. And the cost of the current 5,100, your request is how much? You said $385 million?

Mr. BOWSHER. The $385 million would include the extra hundred average positions.

Senator NICKLES. That is an increase of $38 million over 1989?

Mr. BOWSHER. That is correct.

Senator NICKLES. An 11-percent increase?

I will just make the same comment I have made to every other group that has come in here asking for 11 percent. You are not going to get it.

Let me rephrase that. We do not have enough money to give everybody an 11-percent increase.

Mr. BOWSHER. Yes; and I understand that.

Senator NICKLES. OK. Since you know something about budgets——

Mr. BOWSHER. That is right.

Senator NICKLES. I know something about budgets, too——

Mr. **Bowsher**. And what we have said every year as we come up here is we try to give you an idea of where we need additional people. For the last few years, we have not received those staff additions. But we understand it results from the overall budget situation.

We think it is best that we make our request on this basis so that you know what our requirements are, and then we work with you. I think committee staff in the past will confirm that we have always worked very cooperatively with the committee to appropriate whatever you can afford to give us and to give it to us in the manner that allows us to do the job.

We are basically doing the job with the same size organization that we have had for well over 10 years now. The last real increase that GAO had in manpower was back in the middle 1970's, and I came into office in 1981 as an appointee of President Reagan. GAO has not grown staffwise, but we have grown dramatically in what was produced.

In other words, our productivity has truly grown and the quality of people we are getting today is just superb. We are not a Government organization that is having trouble getting top-flight people. We are getting top-flight people. We have a couple of recruiting areas, like with the lawyers, whose salary differential has become so great between the private sector and the Government, and computer specialists and a couple of groups like that.

But on balance, GAO has superb people coming into its organization, and we are training them properly, and you have been able to give us enough money to travel, which is important. You have been able to give us enough money so that we have made a real start on getting ourselves properly equipped with computers, which you have to have today to do this type of work, and that is why we have been able to raise the financial benefits from the $4 billion level up to $18 billion, and then last year to more than $23 billion.

MEASURABLE SAVINGS

Senator **Nickles**. Do you have a little synopsis of where that $20 some billion is in savings?

Mr. **Bowsher**. Yes; we do.

Senator **Nickles**. Is that part of your statement?

Mr. **Bowsher**. It is not part of our statement, but it is part of our backup book, and I can certainly give that to you.

Senator **Nickles**. I would be interested in a copy of that, if you would please?

Mr. **Bowsher**. Sure.

Senator **Reid**. Has that $23 billion gone directly to reduce the deficit?

Mr. **Bowsher**. It was about $23.6 billion.

It has been used in many areas to reduce—like in a big area in defense—the ammunition buys and things like that. So it does bring down the request of other organizations.

Now whether it brings down the overall deficit, of course, depends on whether the Appropriations Committees reduce the agencies' budgets or allow them to apply the reductions to other needed items that may not have been fully funded. This year about $17.8

billion represented reductions in budgeted amounts, while $5.7 billion was reprogrammed for other program needs.

Senator **Nickles**. Mr. Chairman, thank you very much.

Senator **Reid**. You are welcome.

Mr. **Bowsher**. And we will be willing to supply a copy of that for the record.

[The information follows:]

MEASURABLE AND NONMEASURABLE FINANCIAL BENEFITS REPORTED IN FISCAL YEAR 1988 RESULTING FROM GAO WORK AND PRODUCTS ISSUED

Much of GAO's work results in recommendations to the Congress and agencies for improved management and efficiency in government operations and programs. In fiscal year 1988, GAO made 981 such recommendations.

Each year, the Congress' and Federal agencies' actions on GAO work save the government billions of dollars. With an operating budget of $330 million in 1988, GAO contributed to legislative and executive branch actions that resulted in $23.6 billion worth of measurable financial improvements. GAO contributed to bringing about $72 in financial benefits for every dollar it spent. These benefits, summarized in table 1, ranged from budget reductions by the Congress or the executive branch to more effective use of funds for more pressing needs.

TABLE 1.—MEASURABLE FINANCIAL BENEFITS REPORTED IN FISCAL YEAR 1988

[In millions of dollars]

By category	Period of accomplishment			
	Prior fiscal years	Fiscal year 1988	Future fiscal years	Total
Measurable budgetary benefits	8,816.6	9,008.9		17,825.5
Other measurable benefits	1,299.1	2,077.8	2,361.3	5,738.2
Total	10,115.7	11,086.7	2,361.3	23,563.7

GAO's work also results in many improvements in government operations and services that are not readily measurable. Nevertheless, these improvements not only help government run more efficiently but also benefit people who rely on or are affected by government programs. This is particularly important given the need to reduce the deficit while ensuring the availability of quality government services.

Table 2 shows, by issue area and area of interest, total measurable benefits to which GAO's work contributed.

TABLE 2.—*Measurable financial benefits reported in fiscal year 1988*

[In millions of dollars]

Issue area/area of interest	*Measurable financial benefits* [1]
Tax policy and administration	8,703.000
Administration of justice	85.000
Federal civilian work force	788.000
Civil procurement and property management	0.369
National productivity	19.200
Income security	949.230
Education and employment	30.074
Air Force	2,922.531
Army	1,211.100
Navy	6,105.353
Research, development, acquisition, and procurement	46.038
Manpower and reserve affairs	20.368
Command, control, communications, and intelligence	1,415.645
Energy	555.061
Food and agriculture	169.800
Transportation systems and policies	45.210
Housing and community development	27.090

Issue area/area of interest	*Measurable financial benefits* [1]
Natural resources management	32.385
Internal control and financial management system audits	95.921
Financial audits of Federal Government entities	73.986
Audit oversight and policy	64.900
Information management and technology	165.400
Program evaluation and methodology	37.200
Total	23,563.661

[1] Not included here are collections of $1.310 million made by the Claims Group on debts that other government agencies had been unable to collect.

TAX POLICY AND ADMINISTRATION

Senator **Nickles**. I would be interested in the breakdown of this tax policy and administration which is $8.7 billion.

Mr. **Bowsher**. Yes; and we would be pleased to give you that.

[The information follows:]

Table 3.—*Measurable financial benefits reported for tax policy and administration issue area*

[In millions of dollars]

Measurable financial benefit	*Total*
Tax credits for employee stock ownership plans	2,100
Changes for completed contract accounting method	6,603
Total	8,703

TAX CREDITS FOR EMPLOYEE STOCK OPTIONS PLANS

In a report on elimination of tax credit for contributions to Employee Stock Options Plans [ESOP's], GAO found that all ESOP incentives cost the Federal Treasury $9.9 billion in corporate tax revenues forgone and that of this amount, $8.9 billion (90 percent) was accounted for by the tax credit. GAO concluded, after analyses of their performance, that tax credit ESOP's provided limited assets per participant. GAO estimated that early repeal would yield additional tax revenues of $0.7 billion in fiscal year 1987 and $1.4 billion in fiscal year 1988. The ESOP was scheduled to expire at the end of calendar year 1987, but the Tax Reform Act of 1986 (Public Law 99-514) effectively moved up the expiration date to December 31, 1986.

CHANGES FOR COMPLETED CONTRACT ACCOUNTING METHOD

In the tax policy area GAO made a major contribution to the way income and expenses are reported for tax purposes under long-term contracts. The completed contract method of accounting allows contractors to defer reporting the revenue and expenses attributable to a long-term contract until its completion. GAO recommended that the Congress no longer allow long-term contractors to use this method of accounting for income tax purposes except in certain specified instances. In the Tax Reform Act of 1986 and the Omnibus Budget Reconciliation Act of 1987, the Congress severely restricted the use of this accounting method of tax reporting. Changes in the two laws were estimated to increase Federal revenues by about $2.9 billion and $3.7 billion in 1987 and 1988, respectively.

NAVY WORK

Senator **Nickles**. The Navy is $6 billion, how do you save the Navy $6 billion?

Mr. **Bowsher**. We can give you an explanation.

Senator **Nickles**. I would be interested in that. It sounds rather self-congratulating when you said, "Yeah, we saved $23.6 billion."

Senator **Reid**. Could you break that down so we can understand it?

Mr. **Bowsher**. Oh, sure.

Senator **Reid**. We will include it for the record.

Mr. **Bowsher**. Yes.

Well, the Congress reduced the Navy's budget request by $3.4 billion. Estimated benefits for this area were $6.1 billion, as you say, and then we go into the R&D areas.

Senator **Reid**. Why don't you break that down so——

Mr. **Bowsher**. Yes; we actually have it in our backup book. It is a breakout, so you can have this information.

Senator **Nickles**. You are going to tell us in that book how you saved the Navy $6.1 billion?

Mr. **Bowsher**. Yes; that is right.

Mr. **Goldstein**. It is actually in the budget——

Senator **Reid**. I read it, but I guess I forgot it.

Mr. **Bowsher**. Yes.

Senator **Reid**. General?

Mr. **Bowsher**. Thank you very much.

If you want to take a quick look, then you will see the type of descriptions we have breaking it down.

[The information follows:]

Concerning GAO's accomplishments in the Navy area, we are submitting for the record information which describes the measurable financial benefits influenced by GAO's work efforts in this area. As shown in table 4, total benefits amounts to $6.1 billion which resulted from reviews of Navy's current and prior year budgets (i.e., budget scrub work) and other assignments involving Navy activities.

Table 4.—*Measurable financial benefits reported for Navy issue area*

[In millions of dollars]

Measurable financial benefit	*Total*
Fiscal year:	
1983–85 unobligated procurement funds	313.3
1987 shipbuilding/conversion	1,373.4
1986 unobligated procurement funds	136.0
1988 and prior shipbuilding/conversion	737.4
1987 RDT&E budget, Navy	115.8
1986–87 other procurement, Navy	116.3
1986–88 Navy aircraft procurement	589.3
1988 Navy aircraft maintenance	13.8
1988 RDT&E, Navy	105.8
Subtotal, budget scrub work	3,501.10
Fiscal year 1987 updated DOD inflation estimates	2,400.0
Navy asset capitalization program	197.3
Long Beach shipyard material management	6.6
Subtotal, other assignments	2,603.9
Grand total	6,105.0

The $3.5 billion included in the previous schedule for the Navy Issue Area in what we term "budget scrub" work was performed at the request of the Chairmen, House and Senate Committees on Appropriations, Subcommittees on Defense, and the Senate Committee on Armed Services. GAO evaluated the fiscal year 1988 budget request and unobligated prior years' funds for aircraft, ships, weapons, and other procurement and modification programs; research and development programs; and operations and maintenance programs. GAO found that certain amounts were not needed. The Congress, acting on the Committees' recommendations, enacted adjustments of $3.5 billion. This total impacted several appropriations including prior years' and represents many line items.

For example, as requested, we reviewed the Navy's fiscal year 1987 budget request for Shipbuilding and Conversion [SCN] as well as the status of unobligated and uncommitted prior year SCN funds and identified potential reductions for war ships, amphibious ships, mine warfare and patrol ships, and other types of ships. The Con-

gress, acting on the Committees' recommendations, made program reductions and rescissions of more than $1.3 billion, which GAO influenced.

EFFECT OF TRUST FUND SURPLUSES

Senator REID. Back to this chart of yours, the total deficit you have down here at the bottom? Does that mean——

Mr. BOWSHER. That is the unified deficit number.

Senator REID. And that is more—less money than we took in?

Mr. BOWSHER. Yes; well——

Senator REID. We know up here the figure—let's say the actual 1987 deficit of $150——

Mr. BOWSHER. Yes.

Senator REID. We drop down to——

Mr. BOWSHER. You see what happens is the $150——

Senator REID. I know. But $150 plus $73?

Mr. BOWSHER. Yes; in other words, if you did not have the $73 billion surplus in your trust funds, you would then have a deficit of $223 billion.

Senator REID. So are you saying that we spent $223 more than we brought in?

Mr. BOWSHER. That is right, if you exclude the trust funds.

What really happens is the cash comes in from the trust funds, and then it is used, but you make a bookkeeping entry at Treasury that you know the Treasury owes the trust funds that much more money.

Senator REID. I have a ton of other questions to ask you, but Senator Mitchell just informed me that the Public Works Committee is meeting, and I have to be there. But I would like to ask you a few questions, if you do not mind.

And for the record, would you introduce those people with you today?

Mr. BOWSHER. Yes; my Special Assistant, Milt Socolar; on my right, the Assistant Comptroller General for Operations, Ira Goldstein; and our Controller, Dick Brown.

YUCCA MOUNTAIN

Senator REID. During 1986, DOE ordered work stopped at Yucca Mountain because contractors' controls over the work were inadequate for future licensing purposes. In July 1988, DOE once again imposed a stop work order on a project contractor.

I am concerned about the quality of work being done on the project, and whether the issue of the site suitability will be adequately addressed during site characterizations.

Therefore, what evaluations, if any, has GAO done to assess the adequacy of DOE's repository work?

Mr. BOWSHER. We have issued 4 annual reports and 18 quarterly reports on this work, and we have been very concerned about the quality of the work there.

In other words, we have been raising the problems all along, and as you point out, they have on occasion stopped working there. But we have been raising the issues very consistently about our concern about the work that they were doing there.

Senator **Reid**. I serve on Senator Johnston's subcommittee, and I am aware of the concerns that he has had. As you know, my being on the other side of that issue, I commend you in part for the work that you have done. I am not going to have time to watch your film, but is it in cassette form?

Mr. **Bowsher**. Sure.

Senator **Reid**. Then if you would submit that to me, I will look at it tomorrow.

Mr. **Bowsher**. Yes.

Senator **Reid**. Is that OK?

Mr. **Bowsher**. That is fine, and I can tell you, Senator, that about 25 members have probably done the same thing in watching the film.

We worked very closely. I know there is some feeling that we went off and did this on our own. We did not do it. We worked very closely with Senator Glenn and other people. They knew that we were going to do it. They encouraged us to do it. We had done over 50 reports and testimonies in this area on the nuclear weapons plants, raising a lot of problems.

We finally issued this one last year which quantified it as a $100 billion problem, and still people were having a hard time understanding how it could be such a big problem and what were the real problems.

So we put the video together to try to, again, do further education.

Senator **Reid**. Let me just say this. It is difficult for me to explain to people why I am concerned about the nuclear waste issue. The more I look into it the more I understand that someone needs to look into it, and it is not only in Nevada.

Mr. **Bowsher**. That is right.

Senator **Reid**. I read recently—someone at a meeting gave me a book, and said, "Senator, I would really like you to read this." People give me books all the time.

But I was stuck, and that was the only book I had, because my staff had put it in my stuff. I read that, and it is a frightening——

Mr. **Bowsher**. It is very frightening.

Senator **Reid**. This book is called "The Day They Bombed Utah." I do not know if you are familiar with it. It is a frightening story, factually written—it is not fiction—about the atmospheric tests, of course, that were conducted in Nevada, and if reading that book would not frighten us to what is going on now, then you would have no fright in your body.

So I am glad somebody is doing work in this area. Any one of these areas is really interesting.

Let me ask you something not as interesting but certainly important from a procedural standpoint. As I recall, your office was set up back in early 1920's. Is that right.

Mr. **Bowsher**. 1921; that is right.

TERM OF COMPTROLLER GENERAL

Senator **Reid**. Has the position always been a 15-year term?

Mr. **Bowsher**. It has always been one 15-year term. One interesting thing, I think, is when I came into office in 1981, 60 years later, if you exclude the tenure of one gentleman who had a stroke after 6 months, I only had four predecessors.

Senator REID. I know that speech well. Whoever set this thing up, I think they had some vision.

Mr. BOWSHER. I think they had great vision. It was the Congressman out of Iowa who was the driving force behind the legislation, and I think if you read that legislative history of what he and his colleagues were trying to achieve, which was independence and continuity—I think they had a lot of foresight.

Senator REID. You have been in for about one-half of your term.

Mr. BOWSHER. That is correct.

GOALS AND OBJECTIVES

Senator REID. I am sure that when you began serving that you had some broad strategic goals and objectives you wanted to accomplish.

Mr. BOWSHER. Yes.

Senator REID. You still have the idealism. What have you gained from your 7 or so years in your job? Do you still have some of the original objectives?

Mr. BOWSHER. Yes; I do. One of the things I wanted to do—I knew that this budget problem was going to start to develop then. It has grown to be much larger than I thought it ever would. But I always thought that we would have serious financial problems in this period, and that GAO would be one of the organizations that would have to play a major role in it.

The second thing I always hoped for was to try to develop a first-rate organization, and I think we have made real progress, thanks to many of the people that are here with me today.

I think GAO has evolved from having a rather modest mission and organization back in the 1920's to being one of the strongest and most talented organizations in the Federal Government today. I do not take credit for it other than the last 7 years as my contribution, but my predecessors, being in there for a long period of time—each of them—brought it along, and we really went through three major changes.

Peter Drucker always says that a Government agency cannot change, but this is one agency that has changed. We were voucher checkers in the early years up to World War II, and then they literally laid off 14,000 people, and completely converted them over to college graduates, mostly business administration and accounting majors to do financial auditing. And that was really done by the second Comptroller General, who was a former Congressman, and who did a marvelous job in the World War II period.

Senator REID. Who was that?

Mr. BOWSHER. His name was Lindsay Warren, and he was a Congressman from North Carolina.

And then the third gentleman was a CPA from New York by the name of Joe Campbell, and he really professionalized GAO. He brought in the training. He got the college graduates in the GAO. And my immediate predecessor, Elmer Staats—he is the one that broadened the work to include the program results in addition to the financial results.

Today, we hire a lot of people who have advanced degrees. We hire engineers, economists, accountants, social scientists—we have a great variety of disciplines. As we are called in to look at some of these different problems, we can put together not only a knowledgeable team, but an experienced team because we have very low turnover. Most of our people have spent their careers at GAO, and have worked on these problems over the years.

When we go out to look at the B-1 bomber, for instance, at Wright-Patterson Air Force Base, we are sending people there who know radar and engines, they know a lot of things like that. That is important because what the Congress is asking today is where does a program like that stand in addition to how much money has been spent on it. That is the kind of report that GAO can issue.

My vision, really, is to continue this focus for the next 7 years so that I will leave as strong an organization as possible, and I am really confident that we are doing really quite well.

DEFENSE WORK

We work on 1,000 jobs at any one time, and I think the complexity of the issues that the Congress is facing is just growing all the time like in the nuclear area. I think the defense area is going to be very complicated in the next few years as we go through these negotiations with the Soviets on what different force levels are going to be. GAO is going to have to play a major role in getting the facts. That really is our job, to get the facts.

I testified yesterday before the Senate Armed Services Committee, and Senator Nunn asked me the question, "Are you doing any work in Europe on where our forces are located?" We started that job 1 year ago, and what I said was when we get it finished this summer, it will show you just not how many we have over in Europe, but where everybody is located. Then I said, "We can sit down with you, and you can figure out what additional work you want us to do."

So that is my vision for GAO and how we are evolving. To have the capability to do the work that needs to be done on those major issues—that is really the job we are trying to do.

SOURCE OF GAO WORK

Senator **Reid**. Following up to what I indicated to other members of the subcommittee that I would ask some questions regarding GAO's policy role, let me close on this topic.

Some of my colleagues believe you should not be doing any work unless it is a result of a congressional request. Otherwise there is too much latitude for GAO analysts to pursue their own policy or political agenda. I heard it suggested that we ought to pass legislation through that you can't do any studies that are not requested by Congress.

What is your feeling in this regard?

Mr. **Bowsher**. I think that would be a mistake. Currently over 80 percent of our work is in direct response to congressional requests.

When my predecessor, Mr. Elmer Staats, came into office in 1966, it was 15 percent. When he left office in 1981, it was 40 percent, and now we are over 80 percent. There is no question that we are doing a lot more of our work under the guidance of the Congress.

There are certain areas, though, where Congress is not ready to make a request. Sometimes, maybe, they do not think it is a problem or are hoping it is not going to be a problem. A good example of this was the farm credit system a few years ago.

The depressed condition of the agricultural economy coupled with the farm credit systems' need to cover its very high financing costs was a prescription for disaster. Farmers could not repay loans, because of problems they were experiencing. The farm credit system had borrowed long-term money in the early 1980's at high rates of interest and passed these costs through to farmer borrowers, which only made matters worse. These two factors combined to produce a large number of defaults which, in turn, resulted in the near collapse of the system. We saw these problems coming in 1984 and began work at that time on our own initiative. By the time everyone recognized or was willing to admit there was a big problem, we were ready with some solution to it.

In other words, we were able to hold that bailout—I cross my fingers here—to $4 billion, and I hope it will be only $4 billion. But I think it would have been much larger if GAO had not been prepared to do it.

We are doing work in Europe right now that was self-initiated. But as I said, Senator Nunn was interested in the results in the followup work. I sent him a document about another assignment that we self-initiated just a few months ago on the triad. It examines the costs and effectiveness of upgrades of the three legs of the triad—air breathing, land based, and submarine based capabilities. We think we now have done enough work in certain areas of great interest to the Congress and understand some of the pro's and con's of how much to put into each of the legs, say, for modernization. Senator Nunn told me this morning that he would like to read it very much.

Those are the kinds of things that we can get started. Another good illustration is that study we did at Wright-Patterson Air Force Base on the F-16. That was a single-seater fighter, and then all of a sudden the Air Force wanted to go to a double-seat arrangement. It is very costly to change a plane that dramatically.

Our people out there heard about it and did some additional work. Again, we self-initiated the study to get going, and we were up to speed for some of the questions that the Congress later had.

The flexibility to audit Federal operations based on our own initiative is awfully important. Nearly 20 percent of the $23.6 billion in estimated financial benefits was the result of self-initiated work. GAO has a broad mandate from the Congress to audit nearly all Federal programs and expenditures to assure economy and efficiency of operations. Our self-initiated work is geared toward meeting this mandate and in surfacing emerging problems and concerns which will become important to the Congress.

A lot of the stock market crash work that we did was self-initiated work. We received so many similar requests for work surrounding the crash from interested committees that we successfully negotiated keeping this as self-initiated work, so that we could release our reports and findings to all of them at the same time.

The stock market crash work highlights a problem we are facing more and more, that is, sometimes when we get into a real problem area with different committees requesting similar investigations and wanting GAO to do the work exclusively for them. Sometimes I worry more over some of those situations than some of the other work we do.

The biggest single problem at GAO today is that we have so many congressional requests that in some areas we have backlogs, and as a result, we are not able to initiate our work on a timely enough basis.

Senator REID. How large is your backlog, do you know?

Mr. BOWSHER. Well, it varies by areas. We plan our work in 36 issue areas, and I would say that we have backlogs in about 10 of those issue areas, and they vary from just a few weeks to several months.

ADDITIONAL COMMITTEE QUESTIONS

Senator REID. I appreciate very much your testimony. We have a long series of questions to submit to you and we would appreciate your response just as quickly as you can.

[The following questions were not asked at the hearing, but were submitted to the Agency for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR HARRY REID

Future Direction of GAO

Question. How does your 1990 request support your goal of strengthening the GAO staff?

Response. GAO is requesting $5,557,000 to augment staff by 100 average positions to deal with the increasing congressional requests on the major issues facing the nation and, thereby, reduce some of the delays experienced in starting jobs. We developed a backlog of congressional requests in fiscal year 1988 that still remains at over 125 requests, which primarily come from House and Senate Committees/Subcommittees.

In order to improve job quality and responsiveness to congressional jobs, GAO is requesting an increase of $3,534,000 in travel funds to meet inflation-induced cost changes and to permit an average of 4 additional days of travel per evaluator.

GAO has adopted the requirement in its revised Government Auditing Standards that all its professional staff have 80 hours of training every 2 years. To fund this requirement and to enhance training opportunities of senior managers, GAO is requesting an increase of $948,000 in its training funds. These monies will help in maintaining professional excellence of staff through more frequent training.

To bring GAO closer to its goal of making microcomputers available to every professional staff member who has need of one on a regular basis, GAO is requesting $3,430,000 to raise the installed base of microcomputers to 3,800 machines.

The approval of a transfer of $5,564,000 from a special fund in the Treasury will permit the continued modernization of the GAO Building to create a safe and professional environment that is conducive to the completion of quality work. Providing the proper work environment will encourage our good people to stay at GAO and to continue to produce excellent products for the benefit of the Congress.

Budget Priorities

You are requesting $385.4 million to fund 5,200 average positions. This represents an increase of $38 million, of which $5.6 million is for 100 additional average positions.

Question. What is most important, the additional 100 average positions or other elements of your request such as travel, ADP equipment and services, training, and so on.

Response. GAO's primary requirement is the funding of mandatory pay and related costs (+$17,971,000) and price level changes (+$5,385,000) and the approval of the $5,564,000 transfer from a special fund in the Treasury to be used on the GAO Building for maintenance and operation, removal of asbestos, protection, replacement of building systems, and refurbishment of office space as restoration is completed. These funds will enable GAO to maintain the level of service provided to the Congress in fiscal year 1989. Our other priorities beyond these costs are funding of 4 additional days of travel per evaluator (+$1,758,000) and the purchase of microcomputers (+$3,430,000).

Question. If you got 25 additional average positions where would you put them and why?

Response. Proration of 25 average positions among the 8 issue areas in which the 100 average position increase is requested would result in spreading these additional resources too thinly to have a significant impact on increasing GAO's ability to meet congressional demand. Rather the 25 average positions would be split between Financial Institutions and Markets (15 average positions) to continue to respond to strong congressional interest in banking and securities issues and Public Health/National Health Issues (10 average positions) to respond to increasing congressional interest in the AIDS, public health, child health, and catastrophic health insurance issues.

Workload

GAO performs work for the Congress that is requested by committees and members as well as responding to directives in law and committee reports. GAO describes work that is generated by act of Congress and by bill and conference reports as comprising legislative mandates. The Comptroller General points out in his testimony that legislative mandates have grown from 5 in fiscal year 1983 to 94 in fiscal year 1988.

Question. In your statement you point out that legislative mandates have grown over the years. Please provide a listing of the mandates you received in fiscal year 1988. How much of your resources are currently dedicated to complying with these mandates?

Response. In fiscal year 1988 we received 94 legislative mandates as compared to 5 in fiscal year 1983. These mandates are contained in public laws and committee reports. The following chart compiled by division and staff years, shows that 75 staff years are dedicated in fiscal year 1989 to complying with these mandates.

Division	Staff Years
Accounting and Financial Management Division	3.9
National Security and International Affairs Division	18.1
General Government Division	4.8
Human Resources Division	23.2
Program Evaluation and Methodology Division	6.3

Division	Staff Years
Resources, Community, and Economic Development Division	17.4
Information Management and Technology Division	1.3
Total	75.0

Congressional Mandates During FY 1988 Which Result in GAO Work

Subject	Source
LAB ACCREDITATION REQUIREMENTS	HSE COM SCIENCE, SPACE
VALUE OF DENVER POST OFFICE	P.L. 100-202
AGENCY DRUG TESTING OPERATIONS	SEN SUB TREAS, POST SERV
AGENCY DRUG TESTING PLANS	P.L.100-71
DAIRY IMPORT QUOTAS	OMNIBUS TRADE&COMPE ACT
COMMODITY DISTRIBUTION REFORMS	P.L.100-237
VERIFICATION OF FIP PAYMENTS	P.L. 100-203
INDIAN LAND GIVEN TRUST STATUS	HSE & SEN COM AGRICULTURE
CHAMPUS REIMBURSEMENT POLICY	H.R. 1748
STATE OPERATED PROGRAMS	HOUSE BILL HR 5
DOD DEPENDENTS' SCHOOLS	HSE COM ARMED SERVICES
PRESCHOOL INDIAN EDUCATION	P.L. 100-297 SEC 5107 (B)
IMPACT AID CONSTRUCTION	P.L. 100-297 SEC 6216
REVIEW OF SSA PROCESS ACCURACY	SEN & HSE SUB LABOR,HHS
ATTORNEY FEES - SSA PROGRAMS	31 USC SEC. 712, 717
MEDICARE EMPLOYER-BASED PLANS	SEC.4015 - BUD ACT OF 87
PHYSICIAN ANESTHESIA PAYMENTS	87 BDGT RECON ACT SEC 4048
APPROPRIATENESS OF LAB PAYMENTS	OBRA-1987 (12-22-87)
APPROPRIATENESS OF DME PAYMENTS	OBRA-1987 (12-22-87)
MEDICARE HMO RATE METHODOLOGY	SEC4017, P.L.100-203
HOSPITAL COST REPORTING	P.L. 100-203
QUALITY OF SCREENING MAMMOGRAPHY	P.L. 100-360
ESTABLISHING ALJ'S IN HCFA	P.L. 100-203
MEDICARE PART B APPEALS PROCESS	P.L.100-203, S 4082 (D)
HOSPITAL MORTGAGE INSURANCE	P.L.100-242, S 412 (E)
LAND USE PLANES	P.L. 100-203
CUSTOMS SERVICE/NAT GUARD COOP	DEFENSE AUTHORIZATION ACT
ANTI-DRUG SMUGGLING CAPABILITIES	P.L. 100-180
AIR INTERDICTION CAPABILITIES	P.L. 100-180
USPS COST REDUCTIONS	P.L. 100-203, SEC 6003
CUSTOMS' CENTRALIZED EXAMINATION	SEN SUB TREAS, POST SERV
PROVIDER REIMB REVIEW	SEN RPT 100-399
REFUND OFFSET STUDY II	P.L. 100-203, SEC 9402
SEARCH AND RESCUE STATIONS	P.L. 100-457
ST. LOUIS EXPENDITURES	P.L. 100-242
USAG CRITERIA--STAT REQUIREMENT	P.L.100-242,SEC 515 (E)(1)
UTILITY ALLOWANCES IN ASSTD HSG	P.L.100-242
REVIEW OF UDAG AMENDMENTS	P.L.100-242,SEC 515 (E) 2
DOD REORGANIZATION	HSE SUB INVEST/SEN COM A.S
OFFICER REQUIREMENTS	HSE COM A.S./SEN SUB READN

Subject	Source
MILITARY HOUSING ALLOWANCES	SEN/HSE COM ARMED SERVICE
OVERSEAS WORK YEAR CEILING	100TH CON., RPT 100-498
OVERSEAS ALLOWANCES	HSE COM ARMED SERVICES
CENSORSHIP-STARS & STRIPES	NAT'L DEFENSE AUTH ACT
D&M INVESTMENT CRITERIA	HSE COM A.S./SEN SUB READN
MAINTENANCE OF TRAINER A&E	HSE COM A.S./SEN COM A.S.
B-2 INDEPENDENT COST REVIEW	HSE COM A.S./SEN COM A.S.
AF TRAINER MASTER PLAN	H.R. REPORT 100-1002
BRADLEY OPERATIONAL TESTING	SEN/HSE COM ARMED SERVICE
ACQUISITION FUZES & TANK ROUNDS	SEN & HSE COM APPROPRIATION
FUNDING NAVAL AVIATION CENTERS	SEN COM APPROPRIATIONS
SHIP MAINTENANCE SCHEDULES	HSE/SEN SUB DEFENSE APPROP
FOLLOW-UP REVIEW OF ASPJ	HR REPORT 100-410
SINCGARS	HSE & SEN COM APPROPRIATION
COMBAT RADIOS	HSE & SEN SUB DEFS APPROP
FOREIGN SELLING COSTS	P.L. 100-456: P.L. 100-463
DOD OT&E CAPABILITY	HSE COM APPROPRIATIONS
CRITICAL SPARE PARTS QUALITY	P.L. 100-456
VERIFICATION OF VA CONTRACTS	P.L. 99-591
STATE'S PERSONNEL SYSTEM	P.L. 100-204
CONTRA AID	P.L. 100-276
NATO FORCE STRUCTURE	P.L. 100-180 SEC 1212 (B)
DOD'S DRUG INTERDICTION PLAN	SEC 1243 NDA ACT 1988/89
DOD'S ROLE IN DRUG INTERDICTION	SEC 1241 NDAA ACT FY88/89
TRADE REMEDIES	SEN COM ON GOVERNMENTAL
ETHANOL AND THE CARIBBEAN	HR 4848 (P.L. N/A)
COMPOSITE HLT CARE SYS OPER TEST & EVAL	P.L. 100-180 SEC 733 (F)
COMPOSITE HLT CARE SYS STRATEGY	U.S.C. 1987
INTERAGENCY AGREEMENTS	SEN SUB TREAS,POST SERV
FEDERAL FINANCING BANK	P.L. 100-203
FIN AUDIT-NAT'L ECON COMMISSION	P.L. 100-203
CIVIC ACHIEVEMENT AWARD PROGRAM	P.L. 100-158
CIV RTS COMM MID-YEAR AUDIT	P.L. 100-202
REVIEW OF CLINICAL TRAILS	HS SUB HUM RESRCS & INT GV
IMPLEMENTING TREATMENT ADVANCES	HS SUB HEALTH & EVIRON
THE HAZARDOUS WAST INFORMATION	HS SUB EVIRON, ENRGY & NAT
MEDICAL DEVICES RECALLS	HS SUB HEALTH & ENVIRON
FDA STAFF ESTIMATES TO IMPLEMENT	HS SUB HEALTH & ENVIRON
CONTRACTING EXPERIMENT	HOUSE REPORT 100-621 PG 31
INDEPENDENT COUNSEL	P.L.100-191
INDEPENDENT COUNSEL	P.L. 100-202
IMMIGRANT EDUCATION	P.L. 100-297(6209)
PHARMACY STUDIES	P.L. 100-360
CATASTROPHIC COVERAGE ACCT.	P.L. 100-360
CATASTROPHIC DRUG INSURANCE	P.L. 100-360
HOME VISITOR PROJECTS	SEN RPT 100-399
WORKER ADJUSTMENT/RETAIN	P.L. 100-379
DOD SUPPLY MANAGEMENT STUDY	P.L. 100-456
BIGEYE BOMB CERTIFICATION	P.L. 100-456
FEDERAL AGRI. MORTGAGE CORPORATION	P.L. 100-233
ACTUARIAL SOUNDNESS OF FEES	P.L. 100-233
METRIC USAGE	P.L. 100-418
REGULATIONS ON CONSULTANT SERVICES	P.L. 100-463
ADATS AIR DEFENSE WEAPON SYSTEM	P.L. 100-456

Question. **Last year you provided a chart showing a developing backlog of congressional requests. What does the current data indicate?**

Response. The data provided in GAO's Justification of Estimates, 1989 was for requests from the Congress which were awaiting resources as of January 1, 1988. The following chart updates that information as of January 1, 1989.

Division	Request Total	Days Awaiting Staffing Resources			
		Under 30	30-60	60-90	Over 90
GGD	16	--	--	--	16
HRD	26	3	4	5	14
NSIAD	13	--	5	3	5
RCED	61	--	1	16	44
AFMD	2	--	--	1	1
PEMD	12	--	--	4	8
TOTAL	130	3	10	29	88

Your justification indicates that one major source of increased workload has been the growth of congressional requests as a percentage of your total workload. This suggest that your workload is not entirely due to congressional requests from committees and members.

Question. **How do you characterize your work in terms of its origination?**

Response. We basically characterize our work as either direct congressional assistance or basic legislative requirements. Our direct congressional assistance includes audit work initiated as a result of committee or member requests, legislative mandates, continuing statutory requirements, and staff detailed to committees and subcommittees. Our basic legislative requirements are the work which we undertake on our own initiative to carry out our broad legislative charge to investigate all matters concerning the receipt, disbursement, and application of public funds in order to make recommendations leading to greater economy and efficiency in public expenditures.

Question. **What proportion of your workload falls into each of the categories?**

Response. GAO makes every effort to be responsive to the requests from members of Congress. Over the past 5 years our direct congressional assistance workload has increased substantially--from 49 percent in 1984 to slightly over 82 percent in 1988--with a corresponding reduction in our basic legislative requirements work to 18 percent in 1988. We believe maintaining a portion of our workload for self-initiated work is important to adequately identify important emerging areas which GAO feels need review and to maintain staff continuity and expertise on the wide variety of important issues that GAO must be prepared to address quickly and expertly when congressional requests are received. Some examples of the significant issues and problems we have examined with our self-initiated work in 1988 and 1989 are: status of the U.S. drug situation, Commodity Futures Trading Commission oversight, securities regulation, AIDS (social, health and financial impacts), NASA's shuttle ADP system, condition of refugees in Central America, VA's criteria for rating disabilities, review of agencies' internal controls, quality assessments of IG's operations, homelessness, medicare catastrophic insurance, and DOD's major weapon systems operational testing and evaluation.

Pay-for-Performance

Question. You are in the process of implementing a new pay system. What is the status of that effort? If there are additional costs to implement your pay-for-performance system, how much are they for fiscal year 1989 and 1990? What are these costs expressed as a percentage of payroll over what would have been paid without this new system?

Response. Transition from the General Schedule system to the new PFP system is being implemented in two phases.

Phase began on June 16, 1988 and is the basis for assessing eligibility for the initial award of performance-based bonuses. These bonus payments scheduled for the end of fiscal year 1989, will be distributed to evaluators, attorneys, and evaluator-related specialists who are ranked in the upper half in performance excellence during the year. The cost increase over the old GS system for the payment of bonuses of $2,425,000 in both 1989 and 1990 will be offset in part by savings in incentive awards of $585,000 in 1989 and $702,000 in 1990.

Phase II begins on June 16, 1989 and consists of converting employees from the former General Schedule to 3 broad bands. On that date, GS-7 through GS-12 staff will be placed in Band I; GS-13s and GS-14s in Band II; and GS-15s in Band III. GS designations will disappear. Once in the system, staff will earn permanent salary increases and bonuses based on their performance and contributions to the agency. The permanent salary increases will be first awarded in October 1990.

The June 1989 change of our classification system from the General Schedule (GS) to a broad band system, that directly relates permanent pay changes with levels of performance, will result in a one-time conversion cost of $1,081,000 paid in fiscal year 1990. This one-time cost is included in GAO's fiscal year 1990 request to the Congress.

The following chart shows the costs associated with PFP that are included in GAO's fiscal year 1990 Justification of Estimates. The additional PFP costs of $1,840,000 in fiscal year 1989 and $2,804,000 in fiscal year 1990 represent an increase in personnel compensation of about one percent in both fiscal years, over what GAO would require without implementation of its PFP system.

BOC*	Description	FY 1989 (Without PFP)	Net Change	FY 1990 (With PFP)
11.1	Personnel Compensation	$215,380,000		$215,380,000
11.5	Other Personnel			
	Compensation	1,871,000		1,871,000
	PFP Bonuses			2,425,000
	Incentive Awards			- 585,000
	BOC 11.5 Total	$1,871,000	+1,840,000	$3,711,000
	Total - 1989 Change		+1,840,000	

BOC*	Description	FY 1990 (Without PFP)	Net Change	FY 1990 (With PFP)
11.1	Personnel Compensation	$230,311,000	+1,081,000	$231,392,000
11.5	Other Personnel			
	Compensation	2,149,000		2,149,000
	PFP Bonuses			2,425,000
	Incentive Awards			- 702,000
	BOC 11.5 Total	$2,149,000	+1,723,000	$3,872,000
	Total - 1990 Change		+2,804,000	

* BOC = Budget Object Class

All employees will continue to receive cost of living adjustments as they are authorized in Executive Orders.

Question. How does the new system work, how does it differ from the current system and why is it a better system for GAO?

Response. The new broadbanded pay-for-performance (PFP) system will streamline classification system and compensate employees on the basis of performance rather than time in grade.

Implementing this system means significant changes for our organization including the elimination of ingrade increases for about 70 percent of our staff.

Broadbanding and PFP systems will reward more employees, provide additional staff assignment opportunities and staffing flexibility, and enable employees to influence their own pay through performance and contributions.

Question. Please indicate the range of bonuses that are planned to be paid and the expected number of employees who will be recognized?

Response. During fiscal year 1989 about 1,500 evaluators, evaluator-related specialists, and attorneys will be eligible to receive bonuses under GAO's new Pay-for-Performance System (PFP). Bonuses are payable to employees who are ranked in the top half of each division and participating office. The employees ranked in the top 15 percent of each unit's eligible employees are to receive bonuses averaging 6 percent that are computed off of the base salary of each band. Employees ranked in the next 35 percent are eligible for bonuses averaging 3 percent of the band base. The ranges of bonuses are in the following chart.

	(Formerly)	Top 15 percent	Next 35 Percent
Band I	(GS-12)	$1,750 to $2,450	$700 to $1,400
Band II	(GS-13 & 14)	$2,100 to $2,900	$850 to $1,700
Band III	(GS-15)	$2,900 to $4,000	$1,150 to $2,300

Question. How will the new system provide permanent pay increases? When are these to be paid?

Response. Beginning in fiscal year 1990, evaluators, evaluator-related specialists, and attorneys will establish eligibility to receive pay progression, which is the same as permanent pay increases, at the start of fiscal year 1991. The employees who are at the full performance level of Band I or higher and are assessed as fully successful or better in job performance will receive salary increases ranging from 4 percent down to 1 percent based on their ranking in each division and office. Those employees ranked in the top 15 percent will receive the largest increases. As can be seen in the following chart, the higher the ranking the better an employee's pay will progress.

Pay Progression Using 1989 Dollars

Ranking	Size of Increase	Band I Employees	Band II Employees	Band III Employees
Top 15 percent	4 percent	$1,384	$1,648	$2,288
Next 35 percent	2.5 percent	865	1,030	1,430
Next 35 percent	1.5 Percent	519	618	858
Next 15 Percent	1 Percent	346	412	572

Question. What steps are you taking to ensure consistency in judging performance? What do you see as the major risks in implementing this new structure? Have you noticed any adverse reaction thus far?

Response. Several mechanisms to insure consistency in our performance appraisals and our bonus determinations exist.

--A performance appraisal manual which describes the standards to be used by all supervisors in preparing performance appraisals.

--All performance appraisals reviewed by higher-level managers to insure that the performance standards are properly adhered to.

--Training of all employees and supervisors on the proper preparation of performance appraisals.

--To insure consistency in our bonus determinations, guidance for all managers and staff is being developed.

--Training in June of all managers who will participate in making the bonus determinations.

Finally, the results of the first year bonus pay outs for all units will be evaluated to identify any inconsistencies or distribution problems and to make modifications if needed.

Our new system is not only a change to the pay and reward system, but is also a change in the classification system as well. We are moving staff out of the General Schedule grade system to a broadbanded classification system which groups staff in GS grade together. Staff are naturally apprehensive about certain aspects of the change. Full adjustment to the change is expected to require some experience with this new system.

Question. What have you learned from this effort that would be of benefit to other agencies interested in developing their own pay systems?

Response. We believe it is extremely important to keep staff who will be affected by the program involved in its development. In developing our system, we formed 11 separate working groups to address and develop proposals for major issues such as pay progression, personnel processes, staff assessment, appraisal systems, and so forth. Each of the groups was chaired by a SES member and consisted of other managers, technical specialists, employee council representatives, and evaluators at the GS-13/15 level. Proposals developed by the groups were critiqued by a "sounding board" of senior managers, and then sent forward for final approval by the Comptroller General.

We also think it important to keep staff as well informed as possible. To this end, as major areas came close to final approval, all staff were briefed by their senior managers, a hotline was established to answer questions, and drafts of the proposals were circulated to managers and employee councils for review and comment.

A key consideration in our system development was the Comptroller General's pledge that fully successful staff under the new GAO pay for performance system will not be worse off financially than they would have been had they remained under the General Schedule at their current grade. We think it would be a mistake to negatively affect a fully successful staff member's pay as a result of adopting a new pay system, and thus have designed our system so this cannot occur.

INTOSAI

In your testimony you indicated that the INTOSAI Congress will cost $2.5 to $3 million dollars.

Question. What is the purpose of this organization and what benefits do we receive from participation in it?

Response. The purpose of this international organization is to enhance the audit capabilities of its members and thus, contribute to improved financial management and internal control systems throughout the world.

GAO's participation in INTOSAI supports the U.S. Government's interest in sharing expertise and generally enhances the audit capabilities of other countries.

The United States has always played a leadership role in the Financial Management Community and receives considerable benefit from being involved with international financial management issues. Participation in INTOSAI's various seminars and conferences allows GAO the opportunity to learn new methods, especially in the area of electronic data processing auditing. GAO's work in INTOSAI's training programs, geared toward improving financial management and accountability in developing countries, also helps support U.S. economic assistance programs in those countries.

Question. Do other countries share in the cost of the Congress?

Response. Only INTOSAI is expected to make a contribution to the cost of the Congress.

Question. When will GAO need funding for the INTOSAI Congress in its appropriation?

Response. In fiscal year 1991 $200,000 will be needed to cover the cost of sponsoring INTOSAI's Governing Board meeting in Washington, DC.

In fiscal years 1992 and 1993 funding of $2.5 to $2.8 million will be needed to host the INTOSAI Congress.

Question. How will these funds be spent?

Response. Funds will be spent on such items as publishing and printing of materials, audio-visual services, interpretation and translation services, transportation of participants, supplies, facilities, hospitality and other miscellaneous items which are associated with such meetings.

Question. Please provide a detailed listing of the expected $2.5 to $3 million cost estimated for the 1992 INTOSAI Congress.

Response.

ESTIMATED BUDGET FOR THE 1992 INTOSAI CONGRESS

Language Services (Interpretation and Translation-- Five Languages)	$1,300,000
Audio-Visual	30,000
Transportation of Participants	70,000
Miscellaneous:	
Telephone, Medical, Travel, Security	276,000
Mailing Proceedings (includes packaging)	25,000
Supplies	35,000
Publishing and Printing	600,000
Facilities	92,150
Breaks	15,000
Banquet and Reception	70,250
Subtotal: FY 1992-1993	2,513,400
Preliminary Governing Board Meeting in 1991	200,000
Reserve for contingencies	286,600
Total	$3,000,000

Question. Please provide a list of the countries who have hosted the INTOSAI Congress.

Response. The following lists the countries that have hosted the triennial INTOSAI Congress since its inception.

1)	Havana, Cuba	1953
2)	Brussels, Belgium	1956
3)	Rio de Janeiro, Brazil	1959
4)	Vienna, Austria	1962
5)	Jerusalem, Israel	1965
6)	Tokyo, Japan	1968
7)	Montreal, Canada	1971
8)	Madrid, Spain	1974
9)	Lima, Peru	1977
10)	Nairobi, Kenya	1980
11)	Manila, Philippines	1983
12)	Sydney, Australia	1986
13)	Berlin, West Germany	1989

Question. You are authorized to accept contributions against the cost of the Congress. Please indicate from where you expect to receive these contributions and the estimated amounts.

Response. Presently, GAO expects $40,000 to be contributed by INTOSAI.

Asbestos Removal

This committee has long believed that removal of asbestos from your office building is of the utmost urgency.

Question. Is any asbestos currently being removed?

Response. Asbestos removal work is currently limited to small areas of the basement and part of the 3rd floor of the GAO Building for preparation of swing space. We hope to begin full scale removal of asbestos in fiscal year 1990.

Question. How soon before the job will be completed?

Response. GAO is committed to completing the building renovation work by the end of fiscal year 1994. To maintain this schedule the continued support of this committee will be required.

Question. As you remove the asbestos, what are you doing to modernize the restored space?

Response. As GAO removes over 35 miles of asbestos ductwork, asbestos ceilings, and other asbestos materials, we will be adding

--an additional 1,000 tons of air conditioning,

--a new heating, ventilation and air-conditioning distribution system,

--a new electrical service upgraded to accommodate the office technology (ADP, etc.),

--a new cable carrying system,

--a new fire-retardant sprinkler system,

--new lighting and ceiling systems,

--systems furniture, and

--carpeting and drywalls as required.

Travel

Question. You are requesting $3,534,000 for increased travel in support of your audit and evaluation work. Please explain why you need this large of an increase.

Response. We expect the demand for GAO assistance to continue to grow. Having adequate funds for travel is critical for GAO to perform its work. It is anticipated that increasingly more of GAO resources will be required to keep up with the demand for formal audit studies/reports and briefings. Over the past few years, we have devoted about one third of our staff resources to defense and international issues which have required considerable travel. We plan to continue to adequately fund these and other types of jobs.

The requested increase for fiscal year 1990 comprises price level or inflationary increases, increases related to our request for additional audit staff, and increases which would permit additional travel days to be devoted to our audit and evaluation work. An explanation of these increases is provided below.

Inflationary increases in transportation costs is estimated at $1,376,000. Of this amount, $723,000 is slated for increases for contract airfares, which are routinely revised semiannually, and for other fare increases. The balance of $653,000 is to provide for GSA and State Department increases in per diem rates for domestic and overseas travel.

$400,000 is required for travel associated with our request for an increase of 100 average positions.

$1,758,000 would permit an increase of 14,638 more travel days for our audit and evaluation work, above the level estimated in fiscal year 1989, and result in an average increase of 4 days of travel per evaluator.

Question. Please provide a breakdown of your planned travel costs for fiscal year 1989 and 1990.

Response. The following chart provides a breakdown by principal category of the estimated travel costs needed to perform GAO's work.

	FY 1989	FY 1990
	(Estimates in millions of dollars)	
Per Diem Costs	$ 8.075	$ 9.565
Mileage Costs	0.867	0.951
Transportation and Other Costs	8.252	10.212
Total	$17.194	$ 20.728

Training

Question. What new training initiatives are planned?

Response. We plan to undertake two major initiatives during FY 1990:

Implementation of a Structured Curriculum for Evaluator and Evaluator-Related Staff

By the end of FY 1989 the Training Institute will have developed a curriculum aimed at meeting the full range of GAO evaluator needs. Implementation activities during FY 1990 will include course development and revision, communication of curriculum through a comprehensive course catalog, and monitoring and assessment of the curriculum. Examples of the types of courses that will be revised (R) or developed (D) include:

Financial Management (R and D)
Understanding the Media (D)
Data Reliability (D)
Data Analysis I (D) Data Analysis II (D)
Report Writing (R)
Audit/Evaluation Design (R)
Policy Analysis (D)

Revitalization of GAO's Learning Center

The Training Institute plans to update and increase the use of the Learning Center. The Center is GAO's means of providing self-paced individual instruction. During fiscal year 1990 we plan to develop and acquire new self-paced training programs that will utilize cost effective technologies such as computer-based instruction, interactive video, etc. We also plan to establish demonstration satellite learning centers at regional offices. These demonstration satellite centers will enable us to test the feasibility and cost effectiveness of providing self-paced instruction on-site at all of our locations.

Some additional initiatives we plan include:

Development of Training Programs for Two Nonevaluator Employee Groups

Training curricula will be developed for attorneys in the Office of General Counsel and GAO's secretarial/administrative/clerical staff. These two groups represent sizeable numbers of attorneys and support staff.

Issuance of GAO's First Annual Education Report

This report will detail the level of compliance with the Continuing Professional Education requirement of Government Auditing Standards that went into effect January 1, 1989. It will also summarize the characteristics of all training activity during calendar year 1989.

Development and Implementation of Training Material Publication Standards

We will develop standards and procedures to produce quality material utilizing desk-top publishing technology.

Question. How is the function of your new Training Institute different from when it was handled by the Office of Organization and Human Development?

Response. The Comptroller General's Task Force on Human Resource Management recommended last year that GAO establish a Training Institute as a central training authority to teach GAO policies and procedures and train staff in audit, evaluation, and other skills necessary to fulfill GAO's mission.

The Office of Organization and Human Development previously had some authority in GAO's training activities; however, its training activities sometimes received insufficient attention given the broader mission of that office. Also, given the pace of technological changes and the complexity of many of the congressional requests we receive, GAO has found it desirable to reinforce its commitment to training. All central training activities are being relocated to the Institute and steps are being taken to ensure that its course offerings directly support GAO's audit and evaluation work. We have adopted the report's other recommendations that the Institute:

--Establish a Curriculum Advisory Committee composed of GAO managers and technical specialists, as well as university faculty and private sector training directors, to provide advice and guidance on the Institute's evaluator curriculum.

--Establish firm core curricula that cover both technical and supervisory/managerial subjects.

--Improve the quality of the GAO course instruction by establishing dedicated faculty positions and adopting a management nominations/competitive selection process for instructors.

ADP

Question. Early this year, you sent the committee a revision to your 5-year plan. Please explain the level of funding for computers in 1990 and how they will be used.

Response. GAO's microcomputer acquisition plan is based on two separate factors: (1) the results of the Requirements Model, developed in fiscal year 1988, and (2) the requirement to replace equipment that has reached the end of its useful life.

First, the model identifies 6 distinct groups in the mission support staff, their unique functional responsibilities, and the hardware and software required to carry out those functions. It demonstrated a total requirement of 4,300 workstations to support GAO's mission, 1,500 beyond the approximately 2,800 in place at the end of fiscal year 1988.

Although the Requirements Model defines GAO's total workstation requirement at approximately 4,300 units, it did not establish a schedule for procuring those units or relate them to GAO's evolving shared-resource environment. As a result, GAO established additional criteria for developing our workstation implementation schedule. First, the workstations need to be in place by fiscal year 1991 when GAO begins to implement our anticipated shared-resource architecture. Second, GAO wants to spread our implementation over multiple years to reduce the impact on the budget. These criteria have led GAO to establish a 3-year implementation plan that will achieve the 4,300 base by fiscal year 1991, if funds are provided. Fiscal year 1991 is also the projected award date of the shared-resource contract.

Second, in addition to the requirement for additional workstations, GAO needs to replace its non-functioning equipment. The majority of GAO's microcomputer inventory is old. Approximately 60 percent of the installed base was at least 4 years old in fiscal year 1989, and 80 percent of it is of the early "8086/8088-based" equipment (i.e., IBM PCs, XTs, and their clones). To deal with what could soon become a large amount of inoperable and unrepairable equipment, GAO requires a sound replacement plan. To establish this plan, GAO used guidelines provided by General Services Administration (GSA), other government agencies, and private industry to establish a 10-year life cycle as the absolute minimum planning standard for our microcomputer workstations. Therefore, beginning in fiscal year 1990, GAO plans to replace approximately 10 percent of our installed equipment each year.

As a result of the above analyses, GAO has requested $3,430,000 for the procurement of microcomputer workstations in FY 1990. Those funds will allow GAO to procure 848 workstations, 528 of which will be additions to its current installed base and 320 of which will replace non-functioning equipment (10% of the installed base of 3,200 machines). This will increase GAO's base of equipment to 3,800 by the end of FY 1990.

Although we have based our replacement plan primarily on the physical life of the equipment, GAO also seeks to delay the impact of technical obsolescence. We recognize that the workstations that we procure now will soon operate in a very complex environment that will use advanced operating systems and multi-layered networks.

Therefore, GAO has established a policy that, beginning in fiscal year 1990, we should procure only high performance workstations that can function in that environment, those based on at least the "80286" or "80386" chips. We will place those workstations with the staff who require increased processing capability now, and we will continually "cascade" their less capable, older equipment to staff who perform less complex analyses.

Question. Please explain how you are utilizing the microcomputer technology in your audit and evaluation work.

Response. GAO began to procure microcomputer workstations 7 years ago. Since that time, the workstations have become essential tools for the accomplishments of GAO mission. Congressionally requested work, now comprising over 80 percent of our work load, increasingly demands more sophisticated analyses. Our recent assignments involving assessments of the "Black Monday" stock market crash, Medicare and Social Security beneficiary programs, aviation safety, and trade and budget deficit reduction efforts are but a few examples of the demand for increasingly complex, computer-based analyses. Furthermore, members of Congress and their staffs more frequently interact with GAO staff to refine specific audit objectives. To respond efficiently to requested changes in assumptions and variables, GAO must be able to perform iterative analyses, a capability which requires automated tools. As a result, we believe that the requested increase in workstations is an appropriate and necessary response to meet the increasing Congressional demand for more sophisticated analysis.

Question. What are you doing to ensure that staff has access to microcomputer training classes so they can capitalize on the benefits of the microcomputer technology?

Response. We provide our staff every opportunity to become as knowledgeable as possible on the individual software packages and how to use them in the production of GAO products. Employees can use self-paced learning as well as formal classes. There are also workshops in which specific applications of a software package are discussed and demonstrated.

We provide periodic training of regional trainers so that they can provide training of their staff on the latest advances in courses and other offerings in headquarters.

We also provide external training. For example, we offer management and operation training on system utilization of our shared resource device pilot project, which links all microcomputers in 2 divisions. In conjunction with George Washington University, we have a variety of graduate-level courses on information and information management, such as database management, telecommunications, and computer security.

We have hired a self-paced learning expert to help us revitalize and expand this nonclassroom mode of instruction throughout GAO.

Question. How do you use microcomputers in your audit and evaluation work. Please include jobs which would be compromised without access to microcomputers.

Response. Microcomputers are an essential component in the performance of GAO's auditing and evaluation work. They assist GAO's auditors in every aspect of audit work - from initial job planning to the preparation of final reports. Much of our most significant reporting comes about because we are able to analyze computer-generated data and to rely upon it to develop our findings, as shown in the following examples:

--In the financial audit area, general audit software (Lotus, dBase, WordPerfect) and specialized software which we have designed to analyze internal controls and prepare financial statements have been critical in helping us efficiently and effectively perform financial audits.

--In our work in the area of failed savings and loan institutions, we utilized software that contains information on every open and closed S&L. This includes information which the S&Ls report to regulators, in their financial statements, and in other financial data. We have used this information to analyze the credibility of the S&L industry, to determine the relative health of S&Ls, and to evaluate the financial impact of their problems. We have also created a data base of every FSLIC transaction since August 1987. This history enables us to determine the reasonableness of the numbers reported by FSLIC on its financial statements, project future losses, and prepare charts and statistical data for our reports and testimony on this very relevant topic. Our microcomputers also track the costs associated with the failed S&Ls.

--While performing work for the Iran Contra Committees, use of microcomputers allowed us to trace millions of dollars of funds through various accounts. This task would have been impossible had we not had access to microcomputers which provided us the capability to match numerous items even though many were missing important information. Microcomputers also allowed us to prepare numerous documents such as recreated bank statements which showed account activities with identifying names and the committee document number. These reports could then be retrieved by the attorneys and the Senators for use at hearings and other investigative activities.

Microcomputers are invaluable in our timely presentation of products in the following areas which use specialized in-house applications:

Financial Industry Monitoring-Early Warnings on Potential Crises
Military Base Closings
Drug Interdiction
Strategic Defense Initiative (SDI) Cost Estimates
Navy Ship Modernization
Export Licensing
Review of Federal Agency Compliance with Computer Security Act of 1987
Review of EEOC's Charge Data Systems
Analysis of SSA's FY 1990 Information Technology Budget
Review of FAA's Communications Systems
Transportation Safety Issues
Student Financial Aid
Standards for Groundwater Contamination

Utility Analysis in Public and Section 8 Housing
Airline Barriers to Entry
Air Fares Charged at Small and Medium Sized Airports
Impact of Staggers Rail Act
Food Stamp Program-Sanction Estimates Based on Assumed
  Error/Rate Thresholds

In addition to furthering and facilitating our work in the audit and evaluation areas, computers are invaluable in our day-to-day administrative operations. They allow us to provide information, reports, testimony, and correspondence in an expeditious manner. Software such as Crosstalk is used daily at headquarters, audit sites, and field offices to expedite the flow of communications. Using Crosstalk enables the evaluator in a regional office to transmit information to headquarters within minutes; relying on the mail to perform such a task could involve three or four days or longer. Many draft reports are prepared at the audit sites or regional offices and then "crosstalked" to headquarters for final preparation. GAO depends on microcomputers to perform these and other administrative tasks.

Microcomputer technology allows us to economize on the time and effort expended in our audit activities. It enhances both the scope and the quality of our work and serves as a vital complement to GAO's human resources. Increased availability of microcomputer software and hardware will help ensure the continued, successful completion of our work and will allow us to be fully responsive to the needs and concerns of the Congress.

National Finance Center

Last year we directed that GAO work with several of the legislative agencies to determine if their administrative systems could be moved to the National Finance Center or to some other executive agency site.

Question. What is the status of this project?

Response. GAO has initiated a study of 3 legislative branch agencies to identify appropriate opportunities to consolidate automated administrative support systems. We have completed our initial survey work and are now preparing a plan which will outline the leadership role GAO expects to play in encouraging system consolidation. We have generally found that there is opportunity for significant savings by sharing systems such as payroll, personnel, property, and supply, rather than each agency developing its own tailored systems to meet its own specific situation.

Question. You have transferred several of your administrative systems to the National Finance Center in New Orleans. Are you seeing any cost savings from this move?

Response. NFC provides timely system updates to reflect changes in legal requirements and government-wide regulations and, on a continuing basis, NFC makes improvements to the system with cost sharing for such improvements spread across all user agencies.

GAO is benefiting from the use of off-the-shelf systems and is avoiding the very high cost of using outside contractors to design and program an independent system.

GAO's personnel system was formerly located on an Army computer at no charge. This system was being discontinued by the Army. As a result, the cost of operating our systems at NFC is higher than when they were operating at other locations.

The comparison of before and after is not an accurate one, however, since we were able to solve many of our problems such as system integration by moving to NFC.

Contracts

Question. You are requesting a large increase ($1,457,000) in funding for contract services. Please explain. How do you utilize contract services in support of your audit and evaluation work?

Response. Contract services include computer and ADP services, telecommunications services, personnel security investigations, health services, credit reports, GSA contract services, and other services.

The largest part of the increase ($551,000) will permit greater usage of outside consulting firms to provide expertise to GAO staff in addressing complex issues within often limited timeframes. These funds will also be used to fund the planned continuation of the experiment, which the House Appropriations Committee directed that GAO undertake, on identifying ways to use consultants and contractors on assignments instead of additional GAO staff.

Major increases are required for computer services and contract services in support of GAO's audit and evaluation work and in accomplishing 2 major internal management initiatives. In the ADP area, $469,000 is needed to support the continued consolidation of our systems at the National Finance Center (NFC). This funding will be used to develop, test, and implement GAO's Management and Assignment Tracking System (MATS) at NFC to replace the obsolete Assignment Management System, which will result in improved methodologies for tracking all of GAO's audit and evaluation assignments. In addition, $140,000 is needed for timesharing services provided by the National Institutes of Health Computer Center which affords access to large databases required in the analysis of numerous government programs.

The balance of the requested increase ($297,000) will provide for expert assistance required to expand the Pay-for-Performance (PFP) system to GAO's administrative, professional, and support staff, many of whom are located in the program and technical divisions and regional offices, and bring this population into parity with the evaluator PFP system.

Drug Enforcement

In your statement, you mention that "it is time to consider devoting more emphasis and resources to programs aimed at reducing the demand for drugs."

Question. Isn't there consensus among experts in the field that drug demand must be reduced? What else need to be addressed?

Response. We think that most, if not all experts in the area of drug control agree that the demand for drugs must be reduced. Even the Administrator of the Drug Enforcement Administration has stated on numerous occasions that the key to solving this nation's drug problem is attacking the demand for drugs. Experts, however, disagree on how much emphasis demand reduction programs should receive vis-a-vis programs directed at abating the supply of drugs to users in this country. In June 1988 in testimony before the Senate Armed Services Committee, we said that the federal government's emphasis on supply reduction programs was not working and that it was time to consider devoting more resources to activities aimed at reducing demand: prevention, treatment, and research on the causes and extent of drug abuse. We still believe that. We are not suggesting however, that interdiction, drug eradication in source countries and domestic drug law enforcement programs--the supply side of the equation--should be abandoned. Rather, we are suggesting that more resources be directed at the demand side, even if this requires shifting resources from supply reduction. More emphasis should be concentrated on the effect of current treatment modalities. Little is known regarding which treatment approaches are most effective in treating different client populations. More emphasis should also be placed on determining the extent of rehabilitation and aftercare services needed to prevent relapse to drug use once treatment has been successful.

Question. If there is consensus, why are funds being funneled into supply reduction efforts?

Response. As indicated in the previous answer, there is disagreement over how much emphasis and resources should be devoted to demand versus supply reduction programs. Based on the most recent drug control budget figures, the view that supply should be emphasized over demand reduction is still holding sway in the federal government. In 1988, the federal government spent about $3.8 billion on drug control: $2.9 billion of this went for supply reduction (76 percent) while $895 million (24 percent) was devoted to demand reduction. This spending trend has continued in the current fiscal year. Drug control budget authority this fiscal year is $5.3 billion. About $3.8 billion (71 percent) of this goes to supply reduction; $1.6 billion (29 percent) is directed at demand reduction.

Question. What about tougher enforcement against users? Is this a demand strategy that makes sense?

Response. Holding drug users more accountable for their illegal actions is an approach that should be considered. However, getting tougher on drug users could put further strains on our already overburdened criminal justice and corrections systems. The problems with these systems need to be addressed if increased enforcement efforts against drug users are to have a deterrent effect.

Defense Procurement

You plan to increase staff working in the defense procurement area by 25.

Question. What is GAO's role in identifying and preventing procurement abuse?

Response. Over the last several years, defense procurement has been a subject of intense congressional scrutiny. As a result, Congress has turned increasingly to GAO for information on a variety of issues including unallowable contractor overhead claims, excessive use of unpriced contracts, spare parts horror stories, contractor noncompliance with Truth in Negotiations Act, contractor systems for generating noncompetitive contract price proposals, and defense profit policy to name a few. Accordingly, GAO has devoted and is continuing to devote a substantial amount of resources to assuring that Defense Department and contractor policies and procedures result in fair and reasonable contract prices.

For example, since 1984, GAO has employed between 50 to 65 staff at major defense contractor and subcontractor locations throughout the country auditing noncompetitively awarded contracts. This effort has resulted in 27 reports recommending price reductions totaling over $55 million. More important, the work has identified systemic deficiencies in defense contract pricing policies and procedures and has prompted the Defense Department to take several actions to prevent future procurement abuses. The savings expected from the actions can not be quantified but is expected to be in the millions of dollars.

Question. How many people do you have working on defense procurement issues?

Response.

GAO Average Positions Spent on National Defense and Procurement & Contracts

Fiscal year	Total National Defense	Procurement & Contracts	Percent of total
1982	750	170	22.6
1983	853	221	24.7
1984	908	237	26.1

Fiscal year	Total National Defense	Procurement & Contracts	Percent of total
1985	943	201	21.3
1986	983	303	30.8
1987	950	265	27.9
1988	939	258	27.5

Question. Why does procurement abuse and fraud persist? What reforms are needed?

Response. In general, fraud and abuse persist because of the lack of adequate internal controls--controls in terms of systems to ensure fair and reasonable prices, and those to assure that the government and industry are complying with established laws and regulations. For example, our work over the years has shown that contractors have poor cost estimating and subcontractor price-evaluation systems. In addition, contractors need to establish effective compliance reviews to preclude the improper allocation of costs, defective pricing, etc.

Question. How have you been able to accomplish this?

Response. Current voluntary programs such as Self Governance and Contractor Risk Assessment Guide have as their objective increased internal controls in contractors' operations. These are voluntary programs and the level of participation thus far has been disappointing. It may be time to consider legislation which would require annual management reports by defense contractors on their internal controls and an independent public accountant's opinion on management's representation.

Our efforts address the cost, schedule and performance status of individual weapons systems, crosscutting acquisition programs and policies such as multiyear procurement, dual sourcing, profit policies, competition, testing, etc, plus a significant level of effort dedicated to evaluating selected contract pricing issues such as cost estimating, subcontractor pricing, and defective pricing. Our recommendations have included suggested changes to regulations that will achieve lower contract costs to the government, plus requests that government contract administrators initiate action to recover defective contract prices. In this latter area, we have issued 26 reports with the defective pricing valued at $51.5 million.

Facilities

Question. Please explain how your planned facilities improvement project is to be funded?

Response. The funds needed to modernize and remove asbestos from the GAO Building are planned to come primarily from funds formerly designated for payment to the General Services Administration for office space rent in the GAO Building.

GAO is requesting that an amount equivalent to a 1990 GSA rental charge be provided in its annual appropriation. GAO will use these funds to cover the costs of building operation and maintenance, protection, renovation, and modernization.

GAO is also requesting permission to use funds paid by the Labor and Treasury Departments for office space their people occupy in the GAO Building.

Question. How will the $5.6 million requested to be transferred from a special fund in the Treasury be used?

Response. The special fund in the Treasury is composed of rent paid by Labor Department and the Treasury Department for office space occupied in the GAO Building. This rent money can only be used for the operation and maintenance, protection, restoration, and modernization of the GAO Building. Funds to be transferred would be used for those purposes in fiscal year 1990.

Question. You are requesting that your appropriations language be amended to permit multiyear contracting. Please explain why this authority is necessary.

Response. GAO is requesting the multiyear contracting authority to maintain the scheduled building renovation. Using a single construction contractor for bidding and mobilizing work on the job site can effect economies. Without a single contractor, the project will have to be fragmented into five to seven separate annual single floor contracts with each award being delayed until the previous contractor is assured of finishing on time. Without the multiyear contracting authority requested for this project, there will be additional costs resulting from those time delays.

Long Range Information Resources Management Plan

Recently GAO sent the committee a revised ADP plan which primarily dealt with how GAO intends to provide ADP capability to its audit staff. The plan outlined requirements and costs and suggested an urgent need on the part of GAO to provide its auditors with the ADP capability necessary to do their job.

Question. What do you hope to achieve by expanding your ADP capability?

Response. When fully implemented, we expect this expanded capability to affect all aspects of GAO's operations and provide substantial benefits to both GAO staff and management as well as to the Congress. Benefits for GAO staff include: (1) a workstation with a full set of word processing and sophisticated analytical capabilities, (2) a wide variety of shared peripheral devices such as tape drives, laser printers, and graphic plotters to satisfy the unique needs of any assignment, (3) on-line agency and research databases, and (4) data and text files and workpapers developed to support an assignment. Benefits for management include easy access to (1) job information and resource management tools to improve assignment scheduling and execution and (2) software tools which provide more timely preparation, review, and production of written documents, including software for efficient incorporation of review comments into documents. Both GAO staff and management will benefit from the high speed, on-line communications capability throughout GAO.

These enhancements will have direct benefits to the Congress. GAO's ability to respond to Congressional needs will be improved through increased scope of analysis, more timely preparation and production of written documents, and the ability to share text and data rapidly among multiple locations and users.

Question. Your long range plan calls for 4,300 microcomputers. Does that give every professional a micro?

Response. This number of microcomputers was based on a formal requirements definition model. This model divides the Office into six distinct line and staff user groups. These groups were designed to capture all users and the standard functional responsibilities appropriate to each group. The functional requirements for microcomputers were defined by developing a model that established relations between the groups, their job functional responsibilities, and the hardware and software required to carry out their functional responsibilities. The group population includes both GAO permanent staff and detailed and contractor/consultant staff.

Our professional staff consists of three of the model's user groups. The largest group, mission generalist users, are involved in executing and managing evaluations, audits, legal opinions and other activities in support of Congressional requests, statutory requirements, and self-initiated work. Its functional requirements include word processing, spreadsheets, file sharing and reports. The model calls for 75 per cent coverage of the approximate group population of 3,250.

The second group, mission specialist users, are involved in the research, development and preparation of support products for evaluations, audits, and other assignments. Its functional requirements are defined as database, graphics, spreadsheets, word processing, and statistical analyses. The model provides for 100 per cent coverage of an approximate group population of 400.

The third group, management users, consists of headquarters and unit-level executives involved in the planning, direction and management oversight of mission resources and output and internal/external client relations. This group's functional requirements include management information systems, word processing, general office automation, database, systems access for report review. Coverage for this approximate group of 600 is 100 per cent.

The approximate population of these three groups is 4,250. The model calls for 3,450 microcomputers for an average coverage of 81 per cent for all professional staff. The remaining 850 microcomputers called for by the model are for administrative staff who support managers, generalists, and specialist in the development, preparation, and review of GAO products as well as those involved in managing and providing administrative services throughout the Office.

Question. If you get all of the machines you want, will your people be able to use them effectively?

Response. As indicated in response to previous questions, GAO needs more microcomputers than it is requesting to be funded in fiscal year 1990. Even with the additional microcomputers to be requested in fiscal year 1991, GAO will only have machines for people whose needs are the most critical for usage of this equipment.

Increased Staffing

You are also asking for 20 more average positions for coverage of governmentwide ADP and telecommunications systems, 20 for work in the nuclear energy area and 10 for work on national health issues.

Question. Why do you need additional resources in these areas?

Response. The increase in average positions in Information Management and Technology is needed to respond to ever-increasing congressional inquiries into computer systems, telecommunications, and information resource management issues relating to FAA's air traffic control, GSA's FTS-2000, SSA's system modernization, DOD's automated information systems, and space and space-related information technologies.

The average position increase in Energy is needed to respond to increasing congressional inquiries in the nuclear energy area, particularly relating to nuclear safety and nuclear waste management.

The average position increase for Public Health and National Health Issues will be used to respond to increasing congressional interest in the AIDS, public health, child health, and catastrophic health insurance issues.

Question. How many average positions do you have devoted to these areas now?

Response. The following chart shows the planned usage of average positions for these issue areas in fiscal year 1989.

Issue Area	FY 1989 Average Positions
Public Health and National Health Issues	55
Energy	125
Information Management and Technology	115

GAO Products

I note that despite a relatively constant number of average positions, your workload and the number of GAO products is increasing. For example, reports increased from 586 in fiscal year 1985 to 873 in fiscal year 1988.

Question. How have you been able to accomplish this?

Response. Although GAO has not been granted an increase in the number of average positions in the past few years, the agency has tried to procure services and equipment that would further enhance staff productivity and efficiency. A large part of our work load increases have been absorbed by efficiency improvements realized through the utilization of microcomputer technology and other efficiency improvements. We have increased the number of microcomputers and replaced obsolete and non-standard microcomputers that were previously in use. We have also upgraded software packages and expanded computer training programs. The GAO Training Institute is designing courses for GAO personnel to supplement their strong technical and academic skills. Our National Recruitment Program continues to recruit highly qualified employees from colleges and universities around the country. We have also increased reliance on consultants and experts to provide additional outside expertise for our audit and evaluation work.

The following are data which highlights productivity improvements at GAO since 1985:

--Total product output has increased by 52 percent --from 852 products in 1985 to 1,293 products in 1988.

--Formal reports have increased by 49 percent--from 586 in 1985 to 873 in 1988.

--Testimonies have increased by 94 percent--from 117 in 1985 to 227 in 1988.

--Financial benefits resulting from GAO recommendations have increased by 114 percent--from $11 billion in 1985 to $23.6 billion in 1988.

--Completed assignments have increased by 39 percent--from 1,032 in 1985 to 1,433 in 1988.

--The average duration of assignments has been reduced from 11.9 months in 1985 to 9.7 months in 1988.

--The average cost of assignments has been reduced from $212,000 in 1985 to $195,000 in 1988.

As these statistics indicate, we are completing more assignments, producing more products and measurable financial benefits to the government, and we are doing it quicker and at less cost.

However, while GAO continues to pursue ways to do its work more efficiently, GAO has reached a point where, without additional resources, it will be difficult to address the ever increasing number of issues in support of the Congress that GAO is being asked to evaluate.

Question. Why does the congressional request workload present a staffing problem at GAO? Are any requests from Members of Congress turned down?

Response. GAO makes every effort to be responsive to the requests from Members of Congress. Over the past 5 years, our direct assistance rate has increased substantially--from 49 percent of our work in 1984 to over 82 percent in 1988. Consequently, we are increasingly having difficulty in staffing and initiating work on some requests in as timely a manner as we would like.

One way we have increased our ability to be more responsive to these requests is through our planning system. As part of our planning procedures, we encourage our audit staff to frequently meet with key congressional staff members to keep us appraised of the upcoming issues, concerns, and legislative activities and agendas. Through this exchange of ideas and information, we are able to factor congressional interest into our long-range strategic plans and our annual assignment work plans, which enables us to anticipate many of the assignment requests we receive. In fact, during fiscal year 1988, nearly 40 percent of all the congressional request assignments that we started were included in our annual work plans.

In addition, our planning system allows us to develop and have in place staff with the expertise needed to more quickly and efficiently respond to unanticipated assignment requests, as they occur. We also are able to respond to many of these requests by incorporating a single request, or consolidating multiple requests, into a broader-scoped program review we may have identified through our planning system. By doing this, we are able to satisfy the needs of a number of Committees or Members, make a greater contribution toward improving the operation of an entire federal program, make more efficient use of our staff, and satisfy the needs of future requests Committees or Members might have sent if the work had not been done.

Although a backlog of assignments has developed, GAO will do everything we can to meet these demands, including seeking the assistance of committee chairmen to help in prioritizing the congressional requests in areas where we have overloads, and shifting staffing resources wherever possible.

Question. Does most of the Congressionally requested work focus on major national issues?

Response. Overall, GAO work is focused on significant national issues that face the Congress such as the deficit, the soundness of our financial institutions, important health issues, air traffic safety, major computer acquisitions, defense issues and controlling drug abuse. Our work continues to be more responsive to congressional needs than ever before, and we expect an increased demand to provide the Congress with important insights into federal programs and issues during the coming years. However, GAO's role goes beyond auditing and evaluating federal programs. We have been involved in solving local or constituent-type requests, in setting government auditing standards, in issuing legal decisions, in resolving bid protests, and in settling claims for and against the federal government.

Financial Institutions and Markets

You plan to devote 25 additional average positions to work on the soundness of financial institutions and markets.

Question. Why are you proposing 25 additional average positions in the financial institutions and markets area?

Response. The average position increase for Financial Institutions and Markets will allow GAO to continue to respond to strong congressional interest in banking and securities issues and to program additional work in domestic and international equities and futures markets areas.

Question. How many average positions do you have allocated to this area now?

Response. The total number of average positions planned to be used in fiscal year 1989 is 126.

Question. Do you anticipate a continuation of serious problems within the financial system notwithstanding the passage of legislation to restructure the savings and loan industry?

Response. Yes. Regulation of the financial system has not kept pace with changes in the industry. The passage of the savings and loan legislation would establish some basic long-term reforms that we believe are needed. But many challenges such as problems managing and disposing of the assets acquired from failed institutions, establishing effective regulatory structures for financial conglomerates, and establishing effective intermarket regulation remain to be addressed.

Question. Which recommendations of GAO's are most important to ensuring the stability and integrity of the financial institutions and the financial markets?

Response. We believe that our recent recommendations for market operations reform, solving the thrift crisis, and reforming Glass-Steagall are among our most important.

Question. Have any of your recommendations been adopted?

Response. Yes. The SEC adopted several of our recommendations for reforming operations of equities markets. Similarly, the Administration implemented a number of recommendations that we had made to resolve the problems of insolvent thrifts. With passage of the savings and loan legislation, a number of additional recommendations will be enacted.

Question. Did GAO studies and recommendations anticipate the problems that led to the S&L crisis? If so, how and why were your findings and recommendations not adopted?

Response. We have publicly raised concerns about the financial conditions of the S&Ls throughout the 1980s. Much of this work focused on identifying and convincing policy makers that a problem was brewing in the thrift industry. Reports publicizing the current situation date from February 12, 1986, when we provided Congress with information about potential demands the growing numbers of insolvent thrifts would place on the FSLIC Insurance Fund. In September 1986, we reported on the costs to FSLIC of delaying action on insolvent thrifts. In our audits of the 1986 and 1987 financial statements, we reported FSLIC's insolvency. In late 1988, we sent a draft report including our recommendations to solve the thrift industry problem to the Administration. Many of our ideas were adopted in the President's proposed legislation.

Stock Markets

Question. What market study recommendations are most important to ensure the stability and integrity of the financial markets?

Response. Each of the major market crash studies included important recommendations or observations for ensuring the stability and integrity of the financial markets. Key recommendations and observations addressed in these studies included the need for

- --contingency planning, including coordinated circuit breakers and information sharing,
- --improved intermarket coordination,
- --improved operation of the credit, clearing, and settlement systems,
- --increased capital requirements, and
- --enhanced operational capacity of trade-processing systems.

GAO addressed all these topics in its report.

Question. Have any of these recommendations been adopted?

Response. The regulators and marketplaces have

- --enhanced their capabilities to respond to emergencies through better information sharing, telephone linkages, and coordinated circuit breakers,
- --increased intermarket coordination, especially through the President's Working Group on Financial Markets,
- --taken many steps to improve clearance and settlement systems,
- --enhanced market-making capabilities through increased capital requirements, and
- --improved and expanded their automated order handling and execution capacities.

Question. Why does GAO need more staff in this area?

Response. Although much has been accomplished since the market crash, many challenges still remain. The market crash and recent allegations of trade practice abuses in Chicago have surfaced the need to reevaluate and strengthen our financial markets. Domestically, U.S. securities and futures markets are being subjected to: increasing competition as the functions of the various types of financial institutions and markets become more alike; increasing demands from institutional traders for fair, efficient, and low cost markets; and, especially in the futures markets, serious questions about capability to detect and deter trading abuses. Internationally, the effect on financial markets of European harmonization in 1992, the increased competition from Japanese markets and investors, and the rising demand for cross-border trading pose new challenges that U.S. markets and regulators must meet to maintain strong and competitive financial markets.

Because of the importance of our domestic financial markets, the Congress must continue to assure that appropriate changes in market operations and structure are being considered and made. The issues involved are complex and sensitive. We plan to expand our efforts to provide the Congress the timely information it will need.

QUESTIONS SUBMITTED BY SENATOR DON NICKLES

Mr. Bowsher, I know you are aware of the concern frequently expressed in this Committee and elsewhere in Congress about GAO's self-generated activities and the impact upon the performance of your work in response to Congressional requests and statutory requirements.

It seems to me and a number of my colleagues that you have greatly exacerbated this situation with the production of your transition reports. I do not recall anyone asking you to do this work, nor do I believe it appropriate for your agency to be offering unsolicited opinions on such highly charged issues as the "need," in your opinion, for a tax increase to remedy the deficit problem.

I am sure you expected this concern, and I am interested in your response.

Response. To assist the Congress and the new administration, GAO decided to try a new approach. We pulled together work we had done in recent years into 26 concise reports to the Congress and President-elect. Each report covers a separate subject area. The first 8 cover governmentwide issues. The remaining 18 are agency or department specific. The reports deal with significant issues such as the budget deficit, the savings and loan crisis, health and safety problems posed by nuclear weapons plants, and persistent problems in government procurement.

We met with some of the incoming cabinet officers. They all spoke highly of the reports and how they have been helpful to them. We discussed parts of the reports in hearings before congressional committees. The comments we have received from members of Congress have been mostly praise, although some criticism has been raised.

Part of GAO's mission is to focus its work on the national issues that are of greatest concern to the Congress. With this in mind, we regularly compile our recommendations that have not been acted on by the Congress or the executive branch and make this compilation widely available. We also compile our agency-specific recommendations for newly-appointed members of the Cabinet. These products are often accompanied by meetings with the new appointees to resolve any pertinent questions.

Over the years our work for the congressional committees has proven to be of great usefulness to the Congress. Therefore, we felt it was appropriate to pull together some of the most significant, open recommendations on important national issues that we had made to the Congress in this new format as an aid to both newly-elected Congressmen and Senators and the new Administration.

Mr. Bowsher, I am sure you are aware that the limitations of the budget this year will not enable us, in my opinion, to fully fund your request. So we need your guidance on the best way to reduce your request without unduly impairing your performance and service to Congress.

I note that $12,200,000 of your requested increase of $38,000,000 over fiscal year 1989 is for an increase of 100 positions and other program enhancements. An additional $2,400,000 is requested for the purchase of microcomputers.

If the Committee were to recommend limiting your requested increase to the amount necessary for mandatory costs and price level changes, and deny all new positions and program enhancements, would this have an undue effect upon the performance of your duties?

If we do recommend denial of all new positions and program enhancements, can we also reduce if not eliminate funding for microcomputer procurement?

Response. GAO's primary requirement is the funding of mandatory pay and related costs (+$17,971,000) and price level changes (+$5,385,000) and the approval of the $5,564,000 transfer from a special fund in the Treasury to be used on the GAO Building for maintenance and operation, removal of asbestos, protection, replacement of building systems, and refurbishment of office space as restoration is completed. These funds will enable GAO to maintain the level of service provided to the Congress in fiscal year 1989.

GAO needs some of the funds ($1,100,000) requested under program enhancements to ensure proper transfer of our supply and property systems to the National Finance Center in New Orleans, Louisiana and to continue an experiment authorized by this committee in the 1989 appropriation bill report that will show the extent to which contractors can be used to produce GAO work instead of using GAO's staffing resources.

The continued acquisition of microcomputers until we reach our goal of 4,300 machines is critical to the ability of GAO to continue to improve its productivity, to attract and retain first-class employees, and to perform timely work of good quality.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

As the Comptroller knows, I have been concerned about the role that GAO seems to be taking lately. I have expressed my concerns to the authorizing committee and I am again expressing my concerns now.

Over my 16 years in the United States Senate, I have come to respect and depend upon much of the work of GAO. Recent actions by the GAO, however, have made me question whether GAO has maintained that role as a nonpartisan, technical agency.

Once again, on April 24, the Comptroller General was quoted in the New York Times (attached) as criticizing the economic assumptions used in the bipartisan budget agreement and calling for a tax increase. I would like to remind the Comptroller General that deficit reduction can only come about when the Congress and the President agree on an approach. The budget summit agreement currently being implemented is only the first step in a long process. Political negotiation is difficult enough without criticism from someone who is an appointed and not an elected official.

In that same article from the New York Times, another colleague from the Appropriations Committee, Senator Phil Gramm, expressed his concern about the series of 26 Transition Reports prepared by the GAO last fall. "I think the GAO clearly stepped over the line from being a technical expert to advise the Congress to acting in a more political manner," said Senator Gramm. I agree with my colleague completely. My reading of the law is that GAO was established to be responsive to the needs of the Congress, not to initiate its own agenda.

There are a few other questions I have for the GAO, which I would like answered for the record.

Question. In FY 1987, the GAO requested and received a funding increase to hire more personnel to perform the tasks required under Gramm-Rudman. Even though GAO no longer plays a major role in the sequestration process, funding levels for the agency were never

reduced. Can GAO tell me for what purposes this money was reallocated?

Response. For fiscal year 1987 GAO requested the restoration of 58 average positions that had been used in fiscal year 1986 to absorb part of the cost impact of the Gramm-Rudman-Hollings (GRH) sequestration. GAO also requested an increase of 100 authorized average positions to provide the kind of coverage of government programs needed by the Congress in defense, special investigations, ADP and telecommunications, and agency financial statement audit work. The funds appropriated to GAO for fiscal year 1987 provided support for only the 5,042 average positions that had been funded in the previous fiscal year. All of the requested increases were rejected because of constraints placed on the Congress by the GRH deficit ceiling.

GAO has met all of its oversight responsibilities imposed by the GRH law using existing resources. In no instance have those duties required full year dedication of a staff member to GRH work. For example, attorneys reviewing GRH matters also work on other legal matters involving the drafting of legal opinions. Having less GRH requirements permits the more timely completion of other assignments.

Question. In April of this year, GAO published their annual report, as required by Congress. I would like to know how much it cost to publish this report, and how the cost compares with similar reports published by other Federal agencies?

Response. The cost for layout, typesetting, photography, and printing of the GAO Annual Report for fiscal year 1988 was $79,651. Of this total, $13,434 was expended on layout and typesetting, $22,021 on photography, and $44,196 on printing by the Government Printing Office.

While GAO does not collect on a regular basis the costs of other agencies to publish their annual reports, we have contacted the Government Printing Office to establish some basis for comparison. The following chart compares the printing cost of some agency annual reports.

Printing Costs of Annual Reports

Agency	Printing Cost	Cost Per Copy
Office of the Secretary of Defense	$146,654	$8.47
General Accounting Office	44,196	2.95
U.S. International Trade Commission	15,500	3.44
National Archives and Records Administration	10,000	4.00
Board for International Broadcasting	9,000	2.30

Question. I understand that GAO is currently not audited by an outside agency, and that GAO was trying to arrange for an audit by one of the Inspector Generals from another Federal agency. Has anything been scheduled yet?

Response. GAO is currently exploring options to identify the various possibilities for such for a quality review. This discovery procedure involves discussions with various parties on the capabilities available to perform such a review. When these discussions are completed and all options are fully analyzed, we intend to meet with our oversight committees before we enter into anv specific arrangement for a quality review.

CONCLUSION OF HEARINGS

Senator REID. If there would be nothing further before the subcommittee, the subcommittee stands in recess.

[Whereupon, at 4:05 p.m., Thursday, May 11, the hearings were concluded, and the subcommittee was recessed, subject to the call of the Chair.]

Material Submitted Subsequent to Hearings

[CLERK'S NOTE.—The following statements were received subsequent to the hearings and will be printed in the record:]

STATEMENT OF DENNIS M. ROTH, PRESIDENT, CONGRESSIONAL RESEARCH EMPLOYEES ASSOCIATION

As President of the Congressional Research Employees Association, I welcome this opportunity to discuss with you our analysis of the 1990 budget request for the Library of Congress, with particular emphasis on the Congressional Research Service. The Congressional Research Employees Association is the exclusive representative of the employees of the Congressional Research Service and is extremely proud of its membership rate of nearly 70 percent, a figure almost unheard of in the Federal sector.

Transition at the Library

As you know, the Library is now in the process of developing a transition plan for implementing its redefined mission. A new management philosophy and a modified management team have elevated staff input to levels thought impossible only a year or two ago. I am particularly pleased to say that each labor union president has taken a "seat on the Board" that has been working on the implementation process.

As a participant, CREA recognizes three important factors. First, the labor/management cooperative process we are now developing is a supplement to the collective bargaining process; not a replacement for it. In practice, this means not letting legal concerns over our obligation to bargain interfere with open and frank discussions and joint-problem solving efforts. But, if collective bargaining rather than consultation is required, that will be our course of action. We believe, however, that if the consultative management program as currently envisioned is implemented and supported by top level management, next year, we will be able to report to you instances of improved agency effectiveness, efficiency, and overall working conditions.

Second, CREA recognizes that the Library is going through a period of change. While change is a slow evolutionary process, it should not be an excuse for inaction. As I will discuss later, this is particularly true in the area of affirmative action and equal employment opportunity.

Third, the success of participative management is built upon trust and respect. Over the past year CREA has worked hard to earn this trust and respect from the Librarian and the Director of CRS. We believe that we have been successful as demonstrated in our active participation in the transition process at all levels.

Personal Security

Let me now turn to the specifics of the budget proposal. With respect to the Library as a whole, I would like to comment on two items. First, the Library is requesting funds to fill 15 vacant police positions. We strongly support this request. In 1987 there were 71 reported thefts of personal property from the Library staff. In 1988 this increased to 74 thefts and 3 assaults. Unfortunately, the security of Library staff appears to be less important than the security of its collections since the problems associated with the former go unmentioned in the budget justification. In fact, the poor security situation has lead to a recent grievance.

Human Resource Needs

Last year in my testimony I asked for your support regarding the air quality in the Madison Building and for an onsite day care center. I am happy to report that progress has been made regarding both of these. In late February and early March the National Institute for Occupational Safety and Health, the Environmental Protection Agency, and the John B. Pierce Foundation Laboratory of Yale University conducted the first phase of a study of the air quality in the Madison Building. Another year long study by the National Institute of Standards and Technology on the heating, ventilation, and air conditioning system started at about the same time. When the recommendations from these evaluations become available, I strongly urge you to fund any corrective actions that need to be taken in order to improve the air quality in the Madison building.

Over the past year, the Library has carefully examined alternatives to an onsite day care center and has concluded that no viable alternative exists. Consequently, it is our understanding, that the Librarian is considering a human resources corner in the renovation plans of the Adams Building that will include a day care center and recreational facilities. We are told that a final decision will be made in late spring or early summer. We urge your support of this.

Later in my testimony I will address one more human resource need that applies to the employees of the Congressional Research Service: their strong desire to establish a compressed workweek program.

Affirmative Action

The second item in the Library's budget I would like to bring to your attention is the proposed Pilot Staff Development Internship. While we have not seen the particulars for this program, we strongly support its stated intent - "to increase the number of minorities and women in professional positions." Too many times we have heard the excuse that the Library cannot fill higher level positions with minorities because there are not minority candidates. In many instances it may be extremely difficult to find minority candidates; but even more discouraging is the absence of a program in the Library to develop candidates for these positions. There are numerous staff who would like to be given the opportunity and support to develop their skills, knowledges, and abilities so that they could qualify for these positions. With on-the-job training, outside academic education, and promised professional positions at the completion of the program, successful participants would give the Library a pool of highly qualified candidates for its top level positions. We hope that some of the internships will be in CRS because the existing Graduate Recruit Program in CRS does not address the problem of lack of upward mobility programs in the Library. Furthermore, the one existing CRS program addressed at upward mobility in CRS, the Career Opportunity Program, has been of little help to minorities in the Service the one year it has been in operation.

While on the subject of affirmative action, I must regretfully report to you that CRS does not have an Affirmative Action Plan. In fact, it wasn't until late April that the Library (including CRS) could even tell us the minority composition of CRS's workforce.

CREA submitted a proposed Affirmative Action Plan to the Library late last June. Only under the threat of an Unfair Labor Practice did discussions finally begin in mid November. Over ten months have passed since our submission and we still haven't negotiated a plan. While the pace of bargaining has picked up, it certainly is not fast enough to demonstrate affirmative action as a top priority of CRS. And as I mentioned earlier, the

Graduate Recruit Program that Director Ross noted as an affirmative action program strongly favors outside candidates and does little to improve the status of those staff who need the help the most.

I am also very concerned that CRS now considers the GS-11 level as the entry-level for an analyst. This is counterproductive to an effective and equitable affirmative action program. At a minimum, applicants for GS-11 positions must have a B.A. with 3 years of specialized experience, a M.A. with one year of specialized experience, or a Ph.D. It is virtually impossible for CRS to hire anyone fresh out of college (without an advanced degree) at this high an entry level. Thus, you can see the problems of an Affirmative Action Program limited to GS-11 positions and above.

What is needed is a program that parallels the Internship program described above but focused on analyst, technical, or administrative positions at lower entry levels; i.e., at the GS-5 or GS-7 level. This is precisely what we have been seeking in our Affirmative Action proposal. With some flexibility in educational requirements we believe that the starting level could begin at the GS-7 or GS-9 level. We used to have such a program called the Cross Over Program, but CRS a few years ago decided to stop funding it.

CRS has also not done well in hiring physically handicapped individuals. To the best of CREA's knowledge, there are only two such employees in CRS - a deaf Cataloging Technician and a sight-impaired Reference Assistant. There are many positions in CRS where the physically handicapped could be employed, but I do not know of any recruitment efforts in CRS targeted directly toward this group. CRS could do a better job in this area.

Temporary and Not-to-Exceed Positions

CRS faces another significant employment problem upon which this Subcommittee has a direct impact. As of the end of March 1989, over 16 percent of the nonsupervisory workforce in CRS were either temporary or indefinite employees. (Based on the information furnished us by CRS with respect to our bargaining unit, 99 employees are listed as indefinites or temporaries. This differs from the 36 "Special and Temporary" employees on the CRS Summary of Salaries and Expenses on page 244 of the Library's Budget Justification submission.)

By itself, having about one out of every six employees being in temporary or indefinite status may not sound too bad. The problem is that a large percentage of these individuals remain in this status forever. What we really have in CRS are permanent, permanent temporary and permanent indefinite employees. As you know, as long as an employee remains in temporary status he or she cannot receive any within grades,any promotions, and no pension or fringe benefits. (Recently, temporaries became eligible for health benefits but at full cost and way beyond their means.) In CRS indefinite employees, as well as temporary employees, find themselves needing to reapply for positions on a regular basis. This is unfair. If CRS regularly renews these employees, their positions should be made permanent and that should be part of the budget request before you today. Careers in CRS should not be made up of a string of temporary or indefinite appointments. It is also important to note that nearly all of these positions are held by our lower graded and often minority employees. As you well know, it is extremely difficult to live in the Washington, D.C. area on an annual salary of $15,000 or less per year without any benefits.

Health and New Technology

The use of video display terminals (VDTs) within CRS has increased dramatically in the last few years, and can be expected to increase to a point where nearly every CRS employee will be using a VDT. This new technology has been introduced into CRS and has been functioning over time without analysis of the health problems unique to VDT work. Numerous studies have conclusively demonstrated that use of VDTs increases eye strain, headaches, musculoskeletal complaints such as back and neck pain, and repetitive strain injuries. Many CRS employees have started to suffer from these VDT related symptoms.

In order to prevent costly injuries to CRS's most valuable resource, their employees, CRS must begin to take preventative measures. The lighting, furniture, and office environment in CRS offices were not designed for VDT use and should be changed or adapted. In addition, there is a need for ergonomics training, the science of adapting equipment for human use to maximize the relationship between people and technology, for all CRS employees using VDTs. A few classes have been held on this and employees that have attended report improvement in their VDT related health problems. However, too few employees have attended these classes because of their limited number.

The problems associated with VDT use are very serious and costly. Without changes in current CRS policy, we expect to find increasing absenteeism, employee turn-over, workers' compensation claims, and disability retirements. **Business Week** recently reported that soft tissue disorders, which include motion and back injuries, now account for 30% of all workers' compensation claims; a rate which is expected to reach 50% by the year 2000. Lower back pain is reported to be one of the costliest ailments to treat; averaging at about $6,000 per employee.

Repetitive strain injuries which result from performing the same motion thousands of times, are extremely debilitating and costly often requiring that the employee be given a long leave of absence or be reassigned. CRS has the opportunity to prevent many of the injuries and the subsequent costs that could result from increased use of VDTs provided they act now.

Compressed Workweek for CRS

Late last year CREA approached CRS management with a proposal for a compressed workweek experiment in CRS. Some of you, I believe have already been asked to comment on our proposal. Even though there was a consensus among the Members interviewed to allow the experiment, CRS management still has not been willing to get the experiment underway. As you know, the Federal Employees Flexible and Compressed Work Schedules Act covers CRS and CREA would like to conduct the experiment before we begin bargaining a plan later this year.

CREA is the first to insist that no plan be implemented unless our service to the Congress is maintained. Almost a year ago we began consideration of compressed workweek options after surveying CRS staff and interviewing managers from each CRS division. As I mentioned earlier, as part of the contract negotiations that will begin late this summer, CREA will be seeking a compressed workweek as one of its major bargaining objectives. At this time we propose an experiment rather than a specific plan. During the experiment we would be able to get a good feel for the number of employees who would participate, develop appropriate coverage (backup) mechanisms if they do not already exist, and generally identify the pros and cons of a compressed workweek plan on the basis of experience rather than rhetoric.

It is CREA's strong expectation that such a plan service both the needs of the staff and of the Congress. If appropriately designed, more of CRS's professional staff will be working past 5:00 P.M.; better coverage mechanisms will have been established, and overall productivity should increase. CREA hopes that the care with which we have put together our proposal indicates the attitude with which we will approach the development of any future compressed workweek program for CRS. If any of you are interested in receiving more information on our proposal, I will be happy tc send it to you.

One final point on this issue. Later in my testimony I will note some the problems associated with the absorption of pay raises. Fringes such as a compressed workweek can compensate, to a certain extent, for other things CRS staff have had to forgo. We hope you look at our proposal in this light and give us your support.

CRS in the Twenty-first Century

Currently the Library is examining what its mission and role should be in the twenty-first century. Its role to the Congress, of course, is an important part of this examination. The legislation establishing the Congressional Research Service is nearly twenty years old. The Congress has changed during this period and CRS with it. Perhaps now is the time for the Congress to take its own more comprehensive examination of what it would want the Congressional Research Service to be by the year 2000. CRS itself is currently going through such an exercise. While I feel assured that the Congress will be part of this process, it only makes sense if the body that created us ask the question: "If we were to create a research branch for the Congress today, what needs and services would we expect it to fulfill?"

Good News/Bad News - Pay Raises

Staff salary increases over the past couple of years have come in the form of good news/bad news. The good news is that there will be a salary increase, the bad news is that the Congress will not appropriate funds to cover the pay raise so that there will have to be a cut back on nonpersonal items. In economics there is a concept called opportunity cost: when you spend money on one thing you are forgoing spending it on something else. Since both the management and staff of CRS hold our service to the Congress as our primary objective, this is what must be maintained at the expense of everything else. So, when the Congress votes us pay raises but gives no additional funds, something must be sacrificed in the work environment.

What you have been told is that vacancies go unfilled when pay raises are absorbed. But it's really much more than this. Over the past few years CREA has observed a decline in working conditions and in the programs targeted toward internal affirmative action and staff development and recognition. This leads to a decline in morale and productivity, and eventually, in the services provided.

I encourage you to approach the practice of agency pay raise absorption from a different perspective. Ask yourselves which services you are willing to forgo in order for CRS to meet its obligations to its staff. Perhaps if the Congress approached the absorption of pay raises from this perspective, and also considered the consequences on staff as well as on staffing, I believe that different decisions would be reached.

Summary

As I observed the hearing with the Librarian and his staff on the House side earlier this year, I couldn't help but notice the near total focus on collections and the need to fill vacant positions already authorized. What I hope my testimony accomplishes is to shift that focus to the needs and concerns of existing staff and how they relate to the Library's budget. Many new ideas are being examined in the Library, some that CREA whole-heartedly supports and others that it strongly rejects. I hope that as these proposals come to you, you will seek-out the concerns of staff. All too often sincere proposals fail to examine the human implications which should not, and indeed cannot be ignored.

STATEMENT OF THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

INTRODUCTION

We appreciate the opportunity you have given us on this occasion to present testimony on the Budget request of the Library of Congress for Fiscal Year 1990. We have over the years taken the lead in efforts to bring about a more efficient use of the human resources at the Library of Congress. We have also been in the forefront in our calls for restraint against what we have seen over a number of years as excessive spending of appropriated funds ending with no results and starting with a lack of a sense of direction.

BELC-EELC INITIATIVE

We take great pride in the fact that this marks our twelfth year providing testimony, information and knowledge to the Committee on the Library of Congress budget request. Our two organizations were the first to provide to the Congress testimony on the Library of Congress budget request starting in 1978. Our initiative in this regard led to all the other employee organizations having the opportunity to provide the U.S. Congress with testimony on the Library of Congress budget request.

THE 21st CENTURY

The Librarian has spent a considerable amount of time and money over the past year planning for the 21st Century. A junior employee at the GS-2 or 3 level approached one of the writers of this testimony and in the course of the conversation made a very wise statement. The statement was simply that she did not understand why the Librarian was spending so much time and money on the 21st Century while the 20th Century problems at the Library of Congress had not begun to be solved. We more experienced citizens understand quite well how easily one generation of leaders disposes of the future ideas and concerns of the past generation of leaders. We need only to look back to the Kennedy and Johnson administrations and then to the Carter and Reagan administrations to see how quickly plans of the future are turned around. It does not appear that the Library administration is prudent or wise and can not be considered so until it begins to solve today's problems.

CRITICAL SITUATION

We believe that the situation at the Library of Congress at present is critical. There appears to be at present no sense of urgency to address the existing serious problems at the Library of Congress. The emphasis of the Librarian and the U.S. Congress must be on the present rather than on the distant future. This look by the Librarian into the future has generated unnecessary expenses and use of appropriated funds through studies which in fact are repeat studies of the same problems as well as of repeat reorganizations which lead to no change for the betterment of the Library's human resources. An example is that to date after having been the Librarian for more than a year the Librarian has not done one thing to change the plight of minority employees at the Library of Congress. This plight has remained serious over a long number of years and remains so today. The Library Administration tries through the public relations image to give the appearance that conditions are normal at the Library of Congress. They are not.

PLIGHT OF MINORITIES AND BLACKS

A demonstration of the plight of minorities and blacks in particular at the Library of Congress can be shown by the excessive number of discrimination complaints handled by the Library's Equal Employment Opportunity Complaints Office in Fiscal Year 1988 reported in January 1989. This number of complaints was 26 informal and 101 formal complaints of discrimination pending. The Library also reported that 132 complaints of discrimination had been solved at the informal level or formal level. This meant that the Library of Congress dealt with 259 complaints of discrimination during FY 1988 as of January 1989. This represents an unusually high number of discrimination complaints for an agency the size of the Library of Congress. It also represents a large waste in appropriated funds, human resources and time at the Library of Congress. We have testified in the past before you that at least four to six employees are involved in each discrimination complaint. We choose just to demonstrate before you that if we take the conservative number of four employees being involved in each discrimination complaint in FY 1988, that meant four times 259 equals 1,036 employees of the Library of Congress spending time and money appropriated by the U.S. Congress to deal with discrimination. Blacks are not the only minority discriminated against in the Library of Congress. The Asians, East Europeans, Hispanics and Native Americans fare poorly at the Library of Congress. Exhibit No. 3 to this testimony is illustrative of discrimination against other minorities on the basis of ethnicity to the point of discrimination against organizations consisting of other minorities.

CRS GRADUATE RECRUIT PROGRAM

The Congressional Research Service is not making a serious effort to recruit blacks and other minorities who are underrepresented in high level professional positions. This is clearly demonstrated by the fact that the 1988 CRS Career Opportunity Plan Position Program Announcement announces positions which have promotion potential only to the GS-9 level. The announcement requires minorities to possess bachelor's degrees. The wrong is that the education requirement and the grade cut-off are in direct conflict with what has been the case for whites who hold bachelor's degrees. Whites with bachelor's degrees in the past have not been cut off at the GS-9 level. This fact is demonstrated in the Library of Congress Information Bulletin for February 8, 1988, pages 60-61, which shows whites who hold bachelor's degrees to have been promoted to the GS-16 level (Supergrade). It is not difficult to understand that such a program put forth by the Congressional Research Service for minorities will never under the circumstances do anything to eliminate underrepresentation in high graded level positions. The Congress has to understand that the Congressional Research Service is not acting in a serious manner to bring about, as the Congress has indicated it would like a more representative workforce in the Congressional Research Service. We understand that the U.S. Congress wants the workforce to accurately reflect the constituency of the U.S. Congress. Exhibit No. 3 (1988 CRS Career Opportunity Plan Position Program Announcement), Exhibit No. 4 (Library of Congress Information Bulletin, February 8, 1988, pages 60-61), Exhibit No. 5 (letter of Howard Cook dated April 28, 1988) and Exhibit No. 6 (Letter of Howard R.L. Cook and George E. Perry dated December 13, 1988) demonstrate that neither the Congressional Research Service or the Library of Congress has acted in good faith to establish recruitment programs to relieve underrepresentation for minorities in employment at the Library of Congress. We understand that the Congressional Research Service and the Library of Congress receive large amounts of funds for affirmative action recruitment. This money in the past has not been successfully spent for the recruitment of minorities as indicated on page 2 of Exhibit No. 5 to this testimony. A study on the subject commissioned by the Library of Congress found that too much money was spent on so-called affirmative action recruitment programs with too little success to justify the expenditure. Since the Library of Congress has not had an affirmative action director in the last three years as of May 1989 we would like to know what is and has been happening to the money given to the Congressional Research Service and the Library of Congress for this purpose.

THE EXPENSE OF DISCRIMINATION

All crime is expensive. Discrimination is a crime because it violates the law. It is also expensive. Discrimination can be revealed as being expensive at the Library of Congress due to the fact that The Library of Congress has already conceded liability in a portion of one of the class actions now pending against it in the U.S. District Court for the District of Columbia. The Library of Congress conceded liability relating to the case of appointing top level employees to positions without competition under its regulation LCR 2010-14 Section 4(a). The employees appointed to these top level positions resulting in the expense related to discrimination continue to function in their positions and are at present being used by the Librarian of Congress to formulate so-called plans of change. We pointed out to you last year that it is our belief that these employees serve at a disadvantage because of their personal interest in preserving what they had initially gained illegally. We firmly believe that the reason the Librarian to date has not done a thing to change the plight of minorities at the Library of Congress is because he is continuing to rely on employees who represent in the view of minorities the problem, and as a result are engaged in an expensive and wasteful use of appropriated funds resulting in no significant improvement. While we speak the Library of Congress administration is engaged in efforts to sidestep the U.S. District Court Order and its intent to prevent discriminatory appointments without competition. The administration is using other sections of LCR 2010-14 to manipulate and make appointments without competition.

This too is illegal and totally unacceptable to us. It also represents a misuse of appropriated funds and stands a good chance of a future legal challenge.

A future legal challenge involving such action would also be extremely expensive in terms of human resources and appropriated funds. Our letter to the Librarian of Congress of October 4, 1988 with attachments dated August 1, 1974, August 7, 1974, and November 30, 1987 are submitted to you as Exhibit No. 1 to this testimony as a demonstration of our objection to the use of 4(a) as far back as 1974.

THE INSPECTOR GENERAL

The Librarian appointed an Inspector General for the Library of Congress in 1988. We applauded the Librarian's action in this regard and still believe that it represented a good step forward. Our belief led us to write to the Inspector General on November 30, 1988. Our letter to the Inspector General stated our concern about the Library's MAP Committee. We were particularly concerned about the leadership of the Committee because it is the Committee which is in charge of developing and bringing about change for the better in the Library of Congress. Our concern arose because the leadership of the MAP Committee is composed of employees in leadership who obtained their positions illegally through the 4(a) process. We have also voiced our displeasure on that point to the Librarian of Congress. In addition, we had a long meeting with the Inspector General and provided him with additional insight as to our concern about the leadership of the MAP Committee. We have heard nothing from the Inspector General since we met with him in early December, 1988. The Inspector General in the Library of Congress does not function with the support of a specific law passed by the Congress but serves at the pleasure of the Librarian. For information to the Appropriations Committee we include our November 30, 1988 letter to the Inspector General as Exhibit No. 7 to this testimony.

FACADE OFFICES

The Library's Office of Counsel to the Director of Personnel, Affirmative Action Office, Equal Employment Opportunity Complaints Office and its Staff Relations Office are facades. These offices are facades because they purport to be offices that employees can go to seek help and redress. Nothing could be further from the truth. These offices expend large amounts of appropriated funds while rarely functioning as they are supposed to. Examples are: The Office of Counsel to the Director of Personnel spends most of its time proposing and supporting adverse actions against employees without sufficient or proper evidence; the Affirmative Action Office as we have indicated above fails to serve its mission of recruiting successfully minorities to rid the Library of Congress of underrepresentation because the Library of Congress does not seriously wish to change the dreadful situation; the Equal Employment Opportunity Complaints Office never processes a complaint of discrimination within the legal time requirement of the law and Library of Congress regulations; and the Staff Relations Office rarely if any time resolves problems between employees and management. Employees seeking solutions through the Staff Relations Office in the vast majority of cases are left without any assistance that has meaning and are thereby left to be ground under by the Library management. We strongly believe that these offices could be abolished without any loss to the rank and file employee because of their failure to do what they are required to do under law and Library of Congress regulation. To us this represents a continuing waste of human resources, time and money.

STATUS OF BELC-EELC

The situation of the two original minority employee organizations at the Library of Congress bespeaks the historic failure of the Library of Congress as a learned institution. The fact is that the two minority employee organizations at the Library of Congress have been banned from existence in the Library of Congress for a number of years. Those two minority employee organizations are not permitted to use any of the facilities in the Library of Congress in clear violation of freedom of speech and freedom of association. We believe that this is and will be remembered as a historic disgrace for the Library of Congress. We believe this is true because groups from the People's Republic of China and the Soviet Union have come in and used the facilities at the Library of Congress. Other groups have used the facilities at the Library of Congress. The two minority employee groups at the Library of Congress have made great contributions toward the well-being of the Library of Congress over a long period of time. On the other hand, the People's Republic of China and the Soviet Union through their leadership represent philosophical and spiritual enemies to our nation. We believe that the two minority employee organizations should be afforded equal opportunity. We further believe that the documentary materials belonging to the two minority employee organizations at the Library of Congress should be archived officially in the Library of Congress Manuscript Division.

CONTRACTING-OUT

We are concerned about contracting-out (privatization) at the Library of Congress. Our concern arises because we firmly believe that too much private commercialization is entering into the daily operation of the Library of Congress. This we believe opens the door wide to kickbacks and all other forms of abuse and corruption. In this testimony we are simply trying to alert the Congress that real oversight is needed more now than ever. We are alerting the Congress because we believe that purchases and business activities have led to spending that has not been justified.

One specific area of contracting-out that we are concerned about deals with discrimination complaints. Contracting-out discrimination complaints represent a double waste of money because the Library has a paid staff of high level employees whose job it is to process discrimination complaints.

The contracting-out of these complaints is in itself proof that the high level paid staff of the Equal Opportunity Complaints Office is not doing their jobs for which they are being paid. The private contractors have no interest in processing discrimination complaints in short order, because they earn more money according to the amount of time spent on each complaint. It is not hard to understand how this can lead to fraud, nor is it hard to understand how kickbacks and other methods of waste of the tax payer's money could occur.

SUPPORT FOR DR. BILLINGTON

We continue to support the librarianship of Dr. James H. Billington. Our support for the Librarian is not because he has to this date by substance changed the plight of minorities, but we support Dr. Billington only because of his rhetorical proclamations and because we are aware that he is just now since September of 1988 started into his second year as the Librarian of Congress. We urge Dr. Billington to be sensitive because a recent report by the U.S. Census Bureau indicates that in the not too distant future minorities well make up the majority in the United States. An account of this report appeared in the Washington Post for February 1, 1989, page A5. The Librarian has the authority under law of 1897 to effect great change at the Library of Congress. We expect him to exercise that authority so that our support will be deserved because of merit rather than rhetoric. No "thing" is as important to the Library of Congress as its human resource is, majority and minority. The Librarian must apply appropriated funds in a way that provides equal opportunity to succeed to all employees. At present this is not being done. Exhibit No. 2 to this testimony indicates our praise of Dr. Billington when we thought he was on the right path leading to the improvement of the plight of minorities a while back. It now appears that Dr. Billington is on the road to failure with respect to minorities. We hope the appearance is not true.

EXHIBIT NO. 1

LETTER FROM THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

October 4, 1988

Dr. James H. Billington
Librarian of Congress
Library of Congress
Washington, D.C. 20540

Dear Dr. Billington:

We wish to express to you our concern about the way the position of Executive Officer (Administrative Officer), GS-341-14, under Library of Congress Vacancy Announcement 80376, is being handled. The position was posted and a large number of applicants applied. George Perry was one of the applicants. In a letter dated September 27, 1988 Mr. Perry was informed that the position was going to be reposted. Mr. Perry's application was returned to him. The letter advised Mr. Perry to re-apply and suggested that the requirements might be changed. The letter also stated that "Due to the heavy volume of applications and the reissuance of the announcement, minimum qualifications have not been evaluated under this announcement." This statement is not logical and appears to be irrational reflecting less than professional competence in administration of the Recruitment and Placement Office by Dr. David D. Lombardo.

It appears that this position is being opened up to manipulation of its qualification requirements. This sort of conduct is the exact occurrence which has caused the Library of Congress difficulty legally in the past and will continue to do so because it leads applicants to believe that the qualification requirements are being tailored to a specific person in mid-course. This leads the non-selected applicants to believe that discrimination is occurring as a result of a tailor-made posting. This type of manipulation arousing suspicion must be stopped unless the Library wishes to continue the appearance of illegal discrimination in its recruiting and selection procedures.

Dr. Lombardo must conduct the affairs of the Recruitment and Placement Office in a more competent fashion or become a prime candidate for removal or reassignment to a lesser important position. The Recruitment and Placement Office is the heart of the Library's attempt to establish non-discrimination in hirings, promotions and recruitment. It would be impossible to engage in serious recruitment and promotion efforts if the appearance is that positions are being tailored to fit certain individuals or candidates at the expense of equally or better qualified candidates - many of whom are minorities. We wish to draw your attention to communications to the then Director of Personnel on the subject in letters from us dated August 1, 1974 and August 7, 1974. Our letters at that time addressed the issue of 4(a) selections - our foresight has been supported and our objection has been vindicated by the U.S. District Court decision in the matter. Marc L. Fleischaker agreed with our assessment fourteen years ago in a letter dated November 30, 1987.

Sincerely,

Howard R.L. Cook
Howard R. L. Cook
Executive Director, BELC and Vice President, EELC

George E. Perry
George E. Perry
President, EELC & Gen. Counselor, BELC

LETTER FROM THE ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

August 1, 1974

Mr. Robert W. Hutchison
Director of Personnel
Library of Congress

George E. Perry
President, EELC

Comments on Draft LCR on Posting

The Library's Director of Personnel, Mr. Robert W. Hutchison, invited representatives of Library of Congress employee organizations to a briefing on the draft LCR 2010-14 on Posting. The meeting occurred on June 3, 1974 and representatives of the following LC employee organizations were present: Library of Congress Employee Union Local 2477, AFSCME-AFL-CIO; Ethnic Employees of the Library of Congress (EELC); Library of Congress Professional Association (LCPA); Welfare and Recreation Association (WRA); and Human Relations Councils (HRC) which is not an officially recognized LC employee organization but rather a management-sponsored employee group. The LC employee organization Black Employees of the Library of Congress (BELC) did not attend this briefing.

The Personnel Director invited comments on the Draft LCR 2010-14 on Posting by LC employee organizations to be submitted to him by August 4, 1974.

In the course of Mr. Hutchinson's briefing of June 3, the President of EELC, George E. Perry, stated that in order to comment intelligently on the Posting LCR he would appreciate receiving from Personnel a bibliography on recruitment systems, posting practices and regulations in various Government Agencies, materials on the so-called "closed system" mentioned by Mr. Hutchison in his briefing, etc. Mr. Hutchison promised that such materials would be forthcoming; since, however, I have not received any of the above materials I shall not comment at this time in detail on the Posting Regulation.

I shall offer however comments on two basic questions: the Exceptions to Competitive Selection (specifically Section 5 (1) and (2) of the Draft LCR) and the so-called "Tailor-made posting."

Under Section 5. Exceptions to Competitive Selection Draft #1 of LCR 2010-14 states: "The following exceptions to competitive selection under this regulation shall be allowed: (1) because of their unique nature, positions of the Deputy Librarian, the Assistant Librarian, the Department Directors, the Director of Personnel and the General Counsel."

According to this Draft LCR the Library of Congress staff is thus divided into two groups: the Masters (the top management of the Library, Section 5 (1) and their favorites (Section 5 (2) "positions of unusual or special character because of the rare or unusual skills required or because of the high level, specialized or confidential nature of the assignment, the Librarian may determine it is impractical or undesirable to seek competitive selection") who are arbitrarily declared exempt from competitive selection and the rank and file of the staff that are subject to the competitive selection provisions of the LCR. And what is the justification for these exceptions? The "unique nature" of the positions of top management and the "unusual or special character" of the positions of their confidantes.

But the "unique position" or "unusual position" argument is a spurious argument. It can be reasonably argued that hundreds of positions in the Library of Congress - if not thousands - are unique or unusual positions because of the person occupying the position and the specific duties performed. Should then all unique and unusual positions not be subject to competitive selection?

EELC is absolutely opposed to excepting from competitive selection the positions of the top management of the Library (Deputy Librarian, Assistant Librarian, Department Directors, Director of Personnel and General Counsel) as well as positions of so-called "unusual or special character." The EELC Executive Committee at its June 12, 1974 meeting unanimously opposed the above exceptions to competitive selection.

There is already rampant favoritism in the Library of Congress. Such provisions as Section 5 (1) and (2) - designed basically to bypass the merit system - only aggravate an already serious situation in the Library and must not be tolerated by LC employees and their employee organizations.

That such a provision as Section 5 (1) and (2) would be openly included in an official LC posting regulation, indicates the arrogance of power of the present LC administration.

The EELC Executive Committee has also authorized me to discuss frankly the so-called "tailor-made posting" - a widespread abuse in the Library of Congress and a means of subverting the posting regulation.
A tailor-made posting is one wherein requirements are described and tailored in such a manner that they fit the favorite - who has been preselected for that position; job duties may also be distorted in a

tailor-made posting to eliminate competent but not favored candidates for that position.

The tailor-made posting is thus a means of bypassing the merit system: it, in fact, excepts from competitive selection a favorite employee who would otherwise be subject, under the regulation, to competitive selection.

EELC strongly believes that the tailor-made posting must be outlawed in the LC Draft Posting regulation and that machinery should be set up under the regulation whereby employees who have reason to believe that a posting is tailor-made can present an immediate challenge to that posting.

I also wish to state, for the record, that the EELC Executive Committee at its May 20, 1974 meeting authorized the EELC President to express orally or in writing EELC's views on personnel matters.

LETTER FROM THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS

August 7, 1974

Mr. Robert W. Hutchison
Director of Personnel
Library of Congress
Washington, D.C. 20540

Dear Sir:

We shall offer comments on two basic questions: the Exceptions to Competitive Selection (specifically Section 5(1) and (2) of the Draft LCR and the so-called "Tailor-made posting".

Under Section 5. Exceptions to Competitive Selection Draft #1 of LCR 2010-14 states: "The following exceptions to competitive selection under this regulation shall be allowed: (1) because of their unique nature, positions of the Deputy Librarian, the Assistant Librarian, the Department Directors, the Director of Personnel and the General Counsel."

According to this Draft LCR the Library of Congress staff is thus divided into two groups: the Masters (the top management of the Library, Section 5(1) and their favorites (Section 5(2) "positions of unusual or special character because of the rare or unusual skills required or because of the high level, specialized or confidential nature of the assignment, the Librarian may determine it is impractical or undesirable to seek competitive selection") who are arbitrarily declared exempt from competitive selection and the rank and file of the staff that are subject to the competitive selection provisions of the LCR. And what is the justification for these exceptions? The "unique nature" of the positions of top management and the "unusual or special character" of the positions of their confidantes.

But the "unique position" or "unusual position" argument is a spurious argument. It can be reasonably argued that hundreds of positions in the Library of Congress - if not thousands -- are unique or unusual positions because of the person occupying the position and the specific duties performed. Should then all unique and unusual positions not be subject to competitive selection?

B.E.L.C. is absolutely opposed to excepting from competitive selection the positions of the top management of the Library (Deputy Librarian, Assistant Librarian, Department Directors, Director of Personnel and General Counsel) as well as positions of so-called "unusual or special character". The B.E.L.C. is unanimously opposed to the above exceptions to competitive selection.

There is already rampant favoritism and racial discrimination in employment in the Library of Congress. Such provisions as Section 5 (1) and (2) - designed basically to bypass the merit system - only aggravate an already serious situation in the Library and must not be tolerated by LC employees, their employee organizations, and LC management.

That such a provision as Section 5(1) and (2) would be openly included in an official LC posting regulation, indicates the arrogance of power of the present LC administration.

The B.E.L.C. takes strong exception to the so-called "tailor-made posting" - a widespread abuse in the Library of Congress and a means of subverting the posting regulation. A tailor-made posting is one wherein requirements are described and tailored in such a manner that they fit the favorite - who has been preselected for that position; job duties may also be distorted in a tailor-made posting to eliminate competent but not favored candidates for that position.

The tailor-made posting is thus a means of bypassing the merit system: it, in fact, excepts from competitive selection a favorite employee who would otherwise be subject, under the regulation, to competitive selection.

The B.E.L.C. strongly believes that the tailor-made posting must be outlawed in the LC Draft Posting regulation and that machinery should be set up under the regulation whereby employees who have reason to believe that a posting is tailor-made can present an immediate challenge to that posting.

Sincerely,

Howard R.L. Cook

Howard R.L. Cook

LETTER FROM MARC L. FLEISCHAKER, ARENT, FOX, KINTNER, PLOTKIN & KAHN

November 30, 1987

Mr. Howard R. L. Cook
1412 Arcadia Avenue
Capital Heights, Maryland 20743

Dear Howard:

Thanks for sending me the August 1, 1974 letter from George Perry regarding the 4(a) process. George obviously knew what had been happening and would continue to happen under this regulation.

Our next status conference on 4(a)relief is scheduled for December 7 at 10:00 A.M.

Sincerely,

Marc

Marc L. Fleischaker

EXHIBIT NO. 2

LETTER FROM THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

November 29, 1988

Dr. Declan C. Murphy
Special Projects Officer
Office of the Librarian
The Library of Congress
Washington, D.C. 20540

Dear Dr. Murphy:

This is the response to your letter to Mr. George E. Perry of November 8, 1988. Mr. Perry and this writer are pleased with the progress that Dr. Billington and you are making in improving the conditions of minorities in the Library of Congress. It clearly indicates your sensitivity and that of Dr. Billington towards minorities. You should know that Mr. Perry and this writer have been and continue to be the leaders responsible for raising the issues concerning minority treatment by the Library of Congress administration over the years and also Cook and Perry have tried to propose constructive solutions to minority problems many of which proposed solutions you are now adopting.

To be however consistent, you and Dr. Billington must show sensitivity not only towards minority employees that Cook and Perry have tried to help over the years - but you must try to be sensitive towards Cook and Perry themselves who have borne the brunt of the Library of Congress previous administrations' punishment for having stood up and pointed out what was wrong at LC and what was needed to be done to have matters corrected and improved at LC.

It is inconsistent for you and Dr. Billington to support minorities in the solution of problems affecting them and yet be insensitive to the plight of George Perry as indicated in your letter of November 8, 1988. To be consistent, the Billington administration must be sensitive not only to minorities but to their leadership which includes Mr. Perry.

To be consistent in your support of minorities I ask you and the Librarian of Congress Dr. Billington to become interested in having Mr. Perry return to the Library as an employee of the Library. To continue to deny him the opportunity to earn a living is a serious inconsistency by the Billington administration in its minority policy. To render a person who is a leader of minorities - unemployed and unemployable - as the Library is doing in the George Perry case - is a contradiction in an otherwise exemplary approach which the Billington administration has taken.

It is also proper to ask for a special dispensation in this matter which is simply a settlement of Mr. Perry's discrimination complaints through mutual agreement. The Library has negotiated with victims of discrimination negotiated settlements permitting these victims of discrimination to continue to earn a living by working at the Library of Congress. Mr. Perry who is eminently qualified is clearly a victim of discrimination: he has applied for eighteen positions at the Library of Congress from April 22, 1987 to the present and has been rejected for seventeen of the eighteen positions with only one application pending. He should have been hired by now on the basis of his extensive education - a bachelor's degree from Cornell University with honors in English and distinction in general studies and two master's degrees in International affairs and political science respectively from Columbia University - and his extensive experience as a librarian, 5 years at Columbia University Libraries and almost 15 years at the Library of Congress, ten of them as a manager - Head of the Slavic Room and Area Specialist (Greek).

Sincerely,

Howard R. L. Cook

Howard R. L. Cook
Executive Director, BELC
Vice President, EELC

EXHIBIT NO. 3

1988 CRS CAREER OPPORTUNITY PLAN POSITION PROGRAM ANNOUNCEMENT

Opening Date: April 25, 1988
Closing Date: May 13, 1988

Minimum Qualifications must be met by the closing date above. Applications which are rated not qualified or which are incomplete will be returned to the applicant, who must resubmit the application within 10 days of the date of the notice that the application is being returned in order to be reconsidered.

COMPETITION FOR THIS VACANCY IS LIMITED TO BARGAINING UNIT EMPLOYEES OF THE LIBRARY OF CONGRESS WHO HAVE: 1) one year of full-time employment in the Library or the equivalent in part-time employment; 2) permanent, indefinite, or indefinite NTE status, and if indefinite NTE, their appointments must extend at least until July 4, 1988; 3) a non-professional (single-grade interval) position. Applicants must also meet the **MINIMUM QUALIFICATIONS** below. (**Note:** Applicants unsure of whether they meet these eligibility requirements may consult with Philip Espinosa or Keith Gilmore on extension 75620.)

POSITION: Research Assistant
(Technical Information Specialist)
GS-1412-5 (1967) $15,118 - $19,654
GS-1412-7 (1968) $18,726 - $24,342

Congressional Research Service. (Applicants selected under this vacancy announcement will be assigned to work in one of the following divisions of the Congressional Research Service: American Law, Economics, Education and Public Welfare, Environment and Natural Resources Policy, Foreign Affairs and National Defense, Government, or Science Policy Research.)

Note: For a person accepting a voluntary downgrade to enter this position, salary determination will be in accordance with LCR 2013-3.2, Section 5.C. The maximum salary payable at the GS-5 level is $19,654 and at the GS-7 level is $24,342. (For interpretation of the effect of this LCR on particular situations, please contact Philip Espinosa or Keith Gilmore on extension 75620.)

Tour of Duty: Incumbent may be assigned a fixed work schedule of eight and one-half hours (which includes the lunch period) beginning between 7:30 a.m. and 9:30 a.m., and ending between 4:00 p.m. and 6:00 p.m. depending upon the needs of the division or office.

Promotion Potential: Promotion plan to GS-9

Position Location: James Madison Memorial Building

Type of Appointment: Permanent, beginning July 4, 1988
Non-supervisory, bargaining unit position

Number of Vacancies: One

BRIEF DESCRIPTION OF DUTIES: The incumbent performs a variety of reference functions designed to provide training and experience in the use of standard reference tools and techniques; locates and assembles materials from selected sources; locates, clips or photocopies periodical articles; identifies and locates Federal, state, and local documents and private publications; identifies and locates bills, laws, and hearings, performs other related duties as assigned.

MINIMUM QUALIFICATIONS:

Knowledges, Skills and Abilities: Basic knowledge of one of the following areas and of issues of public policy related to that area:

a) the general field of law;
b) the general field of economics;
c) human resources programs and policy;
d) energy, environmental, natural resources, or agricultural programs and policy;
e) foreign affairs and national defense;
f) American political institutions and processes;
g) science and technology issues and policies.

Educational Requirement: Bachelor's degree in a related field.

Substitutions: For this position, three years of general experience may be substituted for the required education. General experience must have been such as to demonstrate a basic knowledge and understanding of the terminology and standard reference tools and techniques in one of the above mentioned fields. (**Note:** For information regarding the substitution criteria please contact Philip Espinosa or Keith Gilmore on extension 75620).

QUALITY RANKING FACTORS: Evidence of the knowledge, skills, and abilities cited in the quality ranking factors may be demonstrated by experience, education, training, self-development, outside activities, awards and commendations, and references. To receive credit, such evidence must be described on the application form, on the Program Position Questionnaire, or by references. (**Note:** Quality ranking factors are not minimum qualifications; rather, they are factors related to success in the position that the rating panel will use to rank applicants who have been rated minimally qualified.)

1. Familiarity with the mission of CRS and knowledge of the legislative process.

2. Ability to communicate effectively and objectively both orally and in writing.

3. Ability to work with colleagues and supervisors in the research process.

4. Ability to provide research and reference assistance including consulting standard library and information sources, locating and compiling specified source materials, and producing a well-organized, timely, and pertinent response.

5. Quantitative or statistical skills. (Applicants may cite as evidence for possession of these skills any courses they have taken such as algebra, calculus, quantitative methods, elementary statistics, etc., and may also cite any related experience they may have.)

BRIEF DESCRIPTION OF PROGRAM : In accordance with the agreement signed between the Library of Congress and the Congressional Research Employees Association, this announcement offers appointment to the professional position described, with competition limited to Library employees in non-managerial, non-supervisory, and non-professional positions who meet the criteria stated above.

During the two-year program, selectees will receive on-the-job training and assignments designed to provide them ample opportunity to demonstrate their capacity to perform professional work as well as to progress in their career ladder. Participants will also be required to complete eight courses with an overall "B" (3.0) average and no grade lower than "C" at a local college, university, or graduate school in subjects determined jointly by the participant and the supervisor to be related to the position and in accordance with individual developmental needs. Full funding for tuition, fees, and books for academic training shall be provided by CRS. All courses shall be taken outside normal hours of work unless the supervisor determines that it is in the interests of the Service that the course be taken during work hours.

Participants' on-the-job performance and progress in academic coursework will be evaluated on a continuing basis by the immediate supervisor, and formal oral and written evaluations will be conducted every six months, using performance criteria normally applied to occupants of the position at the participant's grade. Participants shall submit official grade reports for their academic courses to their supervisor within two weeks after receiving them. Successful completion of the program, which results in permanent retention in the position, shall require completion of the eight academic courses with the required grades, a promotion to the next higher grade in the promotion plan, and a formal determination by the supervisor, with the concurrence of the division chief, that the participant's performance is fully satisfactory and that the participant has the potential for advancement to the full performance level of the position. The participant may be terminated from the program at any time for failure to perform satisfactorily, for failure to maintain the planned academic program with the required grades, or for failure to complete the program successfully within two years, barring extraordinary circumstances. If the participant is terminated from the program, he or she shall be returned through established personnel procedures to a position of similar grade and duties to the position occupied before entering the program without loss of tenure or seniority, except that if the participant had been an indefinite NTE employee at the time of entry into the program, he or she shall also be converted to indefinite NTE status with the same amount of time remaining in the appointment as remained at the time of entry into the program. The decision to terminate shall be final and binding and shall not be appealable, grievable, or considered adverse.

REQUIRED APPLICATION MATERIALS:

1. **Standard Form 171.**

2. **Writing sample** -- A two to five page writing sample prepared by the applicant, preferably on a subject related to the subject area of the division in which the applicant is interested.

3. **Course listing** -- Applicants may submit any one of the following:
   (a) transcript (transcript need not be official).
   (b) OPM Form 1170/17, Supplemental Statement, List of College Courses and Certificate of scholastic achievement.
   (c) A self-prepared list of courses. Indicate course title, whether semester or quarter hours, graduate or undergraduate, dates taken, and grades received.

4. **Career Opportunity Plan Position Program Questionnaire** (attached to this announcement).

Note: Applicants are also encouraged to submit written references from supervisors, coworkers, or others knowledgeable about their performance and potential.

REMARKS

*** The Library reserves the right to fill any number of the above described positions that are or become vacant during the life of this vacancy announcement.

EXHIBIT NO. 4

[From the LC Information Bulletin]

STAFF NEWS

Sherlock Searcher *(Continued from p. 59)*

☐ Fromm, Erich. *The Sane Society*. New York, 1955 HM271.F75

☐ Gilson, Etienne Henry. *The Terrors of the Year Two Thousand*. Toronto, 1949. BT875.G5

☐ Guest, Edgar Albert. *Collected Verse*. Chicago, 1934. PS3513.U45 1934

☐ Mead, George Herbert. *Man, Self and Society from the Standpoint of a Social Behaviorist*. Chicago, 1934. HM251.M4

☐ Rodell, Fred. *Fifty-five Men*. New York, 1936. JK146.R6

☐ Schoo, Jan. *Hercules' Labors: Fact or Fiction?* Chicago, 1969. BL820.H5S28 1969

☐ Tannenbaum, Frank. *Slave and Citizen, the Negro in the Americas*. New York, 1946. E29.N3T3

☐ *Terrorism: Theory and Practice*. Boulder, Colo., 1979. HV6431.T5

Velma Burke Promoted in CRS To Income Maintenance Specialist

Velma W. Burke, specialist in social legislation for the Education and Public Welfare Division of the Congressional Research Service (CRS), has been promoted to specialist in income maintenance in the Education and Public Welfare Division.

Mrs. Burke was the recipient of a full-tuition scholarship to the University of Chicago, where she received her bachelor's degree in history. She was elected to Phi Beta Kappa.

Before joining the Congressional Research Service, she and her late husband researched and wrote *Nixon's Good Deed: Welfare Reform*. Additionally, she worked as a research assistant with the Joint Economic Subcommittee on Fiscal Policy on an ad hoc welfare study.

Mrs. Burke joined the staff of the Congressional Research Service in July 1974 as an analyst in social legislation in the Education and Public Welfare Division. Several promotions over the next few years culminated in her promotion to specialist in social legislation. In addition to her research responsibilities, Mrs. Burke has been the section head of the Income Maintenance Section in the division since March 1981. The Library's Incentive Awards Program has recognized Mrs. Burke for her research and leadership.

Social Legislation Specialist Advances to CRS Division Coordinator

Sharon L. House has been promoted to coordinator of research in the Education and Public Welfare Division of the Congressional Research Service (CRS). She is still a specialist in social legislation in the division.

Ms. House has a bachelor's degree in political science from Arizona State University. She has also participated in the Senior Managers in Government Program at Harvard Business School and the Kennedy School of Government.

After receiving her bachelor's degree, Ms. House was employed by the Department of Health, Education and Welfare, where she served in a number of positions with increasing responsibilities in the areas of social security, aging, and program consolidation.

Ms. House joined the staff of the Congressional Research Service in September 1973 as an analyst in social legislation in the Education and Public Welfare Division. She was later promoted to specialist in social legislation and subsequently became head of the Social Services Section. From 1978 to 1980, she was assistant chief of the Education and Public Welfare Division during a temporary vacancy.

Janet L. Kline Promoted in CRS To Health Policy Specialist

Janet L. Kline, former specialist in social legislation, Education and Public Welfare Division, Congressional Research Service (CRS), has been promoted to a specialist in health policy in the Education and Public Welfare Division.

Ms. Kline received her bachelor's degree in sociology from Hunter College, City University of New York.

She joined the staff of the Library of Congress in July 1966 as a gift accessioner in the Exchange and Gift Division. In October 1967, she was transferred and promoted to the position of congressional documents librarian in the Library Services Division of the former Legislative Reference Service. In 1969, Ms. Kline became an analyst in social legislation, concentrating on health legislation; after several promotions she attained the position of specialist in December 1976.

STAFF NEWS

Ms. Kline has served as section head of the Health Section in the Education and Public Welfare Division since 1978. Her work as both a section head and researcher has been recognized with a Meritorious Service Award and a Special Achievement Award.

George A. McKay, catalog filer in the Catalog Management and Publication Division (CM&P), was recently presented a 25-year Federal Service Award pin by Henriette D. Avram, assistant librarian for processing services.

Attending the ceremony were Mary S. Price, director of Bibliographic Products and Services; Kay F. Wexler, assistant chief of CM&P; Rebecca S. Guenther, head of the NUC (National Union Catalog) Control Section; and Jaunita R. Hines, supervisor of the NUC Control Filing Unit.

Mr. McKay began work at the Library in October 1962 as a mail clerk in the former Office of the Secretary. The next year, he was promoted to motion picture technician in the Motion Picture Section of the Prints and Photographs Division. In 1965, he earned an achievement award for his participation in the project to remove nitrate film from the motion picture collection as part of the Library's preservation efforts. In 1966, he was promoted to microfilm reading room assistant in the Stack and Reader Division. He became a catalog-filer trainee in the Catalog Maintenance and Publication Division's Filing Section in 1967 and was promoted to his present position one year later.

He earned a Special Achievement Award and a cash award in 1986 for his work in the division's project to film the Library's main catalog.

Mr. McKay has served as a volunteer tour guide for the Educational Liaison Office and as Treasurer of AFSCME Local 2477.

Eunice L. Ellison Receives 20-Year Federal Service Award

Eunice L. Ellison, publication quality control analyst in the Library of Congress Catalog Management and Publication Division (CM&P), has been awarded a pin for 20 years of Federal service. Gloria H. Hsia, chief of the division, presented the award.

Ms. Ellison spent her first 16 years in the Serial Record Division. She worked her way through the ranks of the Processing and Reference Section, starting as an accessioner in 1967 and earning successive promotions to editor in 1972, to search-and-visible-file cataloger in 1973; to reviser cataloger in 1974, and to post editor in the Editing and Input Section in 1976. She was promoted to her present position in CM&P in 1983.

A native of Raleigh, N.C., Ms. Ellison earned a B.A. degree from Shaw University in Raleigh in 1966 with a double major in English and sociology. She earned her M.L.S. degree in 1975 from the University of Maryland. She was a Library of Congress intern in 1975–76.

Sarah Leslie Wallace Dies

Sarah L. Wallace, publications officer at the Library for nearly 14 years before she retired, died of an apparent heart attack at her home in Albuquerque, N. Mex., on January 1. Miss Wallace was 73 years old.

A native of Kansas City, Mo., Miss Wallace earned a bachelor of arts degree in 1935 and a library science degree in 1936 from the College of Saint Catherine in St. Paul, Minn. She then went to work for the Minneapolis Public Library, serving successively as a reference assistant, publicity assistant, and public relations officer. In 1960 she served as the acting public relations officer of the American Library Association, and from 1944 to 1960 she taught library public relations and public library administration at the College of Saint Catherine.

EXHIBIT NO. 5

LETTER FROM THE CONGRESSIONAL RESEARCH SERVICE

April 28, 1988

Mr. William Robinson
Deputy Director
Office of the Director
Congressional Research Service
Library of Congress
Washington, D.C. 20540

Dear Mr. Robinson:

I desire to set out my criticism of the "Minority Employment Programs" recently established by the Congressional Research Service and the Library of Congress, and those participating in the establishment of those programs. I will rely on a study commissioned by the Library of Congress costing between two hundred and three hundred thousands of dollars, and personnel actions recently taken by the Congressional Research Service to justify my criticism.

The 1988 CRS Career Opportunity Plan Position Program is due criticism because it establishes a plan to enter into the Research Assistant (Technical Information Specialist) group of positions at GS-5 with a promotion potential to GS-9. The educational requirement is a bachelor's degree in a related Field or three years general related experience in one of seven related fields. This program can not be expected to change the underrepresentation of minorities in upper level positions at all due to the GS-9 cut off. It is also due criticism because of the fact that CRS without offering it as a minority betterment program has had for many years Research Assistant (Technical Information Specialist) positions in most of its divisions which had a promotion potential of at least two grades higher than what the program is offering. The GS-9 cut off is ripe for criticism in light of recent personnel actions taken by the Congressional Research Service to promote three white employees to GS-16 positions who according to the Library of Congress Information Bulletin of February 8, 1988 p. 60-61 shows them to be holders of only bachelors' degrees. The group of white employees as indicated have the same educational level as required by the "Program" for employees who I should think would be black if the "Program" is to have any meaning at all. The white employees with bachelors' degrees have been permitted to grow based on their potential to the GS-16 level, while the likely black employees with bachelors' degrees are cut off at the GS-9 level before they start. The justification for this criticism is clearly demonstrated by the documented record of recent personnel actions taken by the Congressional Research Service.

The 1988 CRS Career Opportunity Plan Detail Program in the Policy Analyst group of positions for all grade levels GS-5 to GS-15 can not be expected to reduce minority underrepresentation. This "program" establishes positions for a duration of six months. The six month duration of these positions is a built-in self-destruct instrument. Such a self destruct program I hope is not being put forward as a betterment program to bring about parity in upper level positions between whites, blacks and other minorities.

The other CRS minority employment opportunity program is the Graduate Co-op Program started in 1980. The fact that 80 individuals more or less have completed the "program" and fewer than 15 have been placed in permanent positions is indication that this "program" to has failed minorities. It is also indication that the managers have failed in their management of the "program". A great deal of money and time have been spent without the Library receiving on adequate return on its investment. The RBP associates final study report of July 10, 1987 p. III-25 states the following:

> "Since the Graduate CO-OP Program began in 1980, fewer than fifteen (15) of the approximately 80 individuals who have completed

the program have been hired in permanent positions by the Library (based on Affirmative Action Semi-Annual Report, June 1985). In view of the excellent qualifications of the participants and the high value that is placed on the program, it is unclear why so few were ultimately hired. No published study on this phenomenon was available. With a retention rate of only 18%, the Library is not receiving an adequate return on its investment of time, money, and other resources involved in administering the program. Additional structures should be put into place to insure successful graduates are placed in permanent positions with the Library."

This study was commissioned by the Library of Congress. The CRS 1988 Employment Programs for Graduate and Graduate Students is deficient. The deficiency in these programs is that at the end of the recruiting drive and the participation of those recruited no real jobs are assured. The Congressional Research Service has for several years involved itself in these so-called recruitment programs with the end result being that the underrepresentation of minorities on its staff remains practically the same. This to me represents a waste of appropriated funds and time. The Congressional Research Service Employment Programs for Graduates and Graduate Students - 1988 lack affirmative action spunk and vitality. There are no goals or timetables for reaching parity as far as minorities are concerned. In other words, it represents business as usual and a decade down the road using these programs the underrepresentation of minorities will be as severe as it is at the present time and has been in the past. This lack of meaningful proposals for strengthening affirmative action is typical of the Library of Congress as a whole.

I must direct criticism at the management of CRS, the Library and all the unions. The criticism against CRS and its union is due because the management has insisted on putting forward zero based parity reaching programs or efforts to reduce underrepresentation of minorities where under representation is the greatest. The criticism of CREA is because acting as a union it has agreed to programs which do nothing to reduce the underrepresentation of minorities in the ranks of upper level positions where the underrepresentation is most felt and where the most harm is done to minorities. Criticism of the Library Management at large is due from my point of view as a result of it engaging in agreement between itself and the AFSCME, Locals to extend again and again a program in its operation which does not reduce the underrepresentation of minorities in upper level positions. The AFSCME, locals must stand for criticism for their failure to insist on a new program or no program. More harm is done by agreeing to a program which does not produce results. A program that does not produce results is a pretension.

Open deception is occurring by all the parties involved in the presentation of such zero based "programs" which do not change the employment status of underrepresentation among minority employees. The entire Library staff is the victim of the deception as a result of having so-called minority betterment programs which actually do not change the status of minorities. There appears to be almost illegally guised activity, if not outright illegal activity occurring among the participating parties by the production of these non-productive programs. The activity leading to the production of these programs is at best a display of cynicism. What might be illegal is the impression left with the staff and the public that something is being done under the law to improve the underrepresentation of minorities when in fact it is not.

I strongly believe that I have established myself as an expert to offer this criticism over many years of work as the leading advocate in this area at the Library of Congress as indicated by leadership alone of the class action now pending against the Library of Congress for the past thirteen years. The Library has admitted liability in part of the class action. Having worked myself into the position of an expert for more than twenty years and knowing what I know I would be less than moral if I were not to offer this criticism.

Recommendation

The Congressional Research Service and the Library of Congress should establish a race aware recruitment program designed to assure a reduction in the underrepresentation of minorities in all positions in the Library of Congress based on the real concept that minorities have been denied historically entry to the positions where underrepresentation is the greatest for minorities without a cut off of promotion potential at any grade in whatever position series, just as there is no cut off promotion potential for whites with the same educational attainment or experience as indicated by the promotions to grade GS-16 of the three whites who hold bachelors' degrees listed in the Library of Congress Information Bulletin for February 8, 1988, p. 60-61. Attainment of the elimination of underrepresentation in all positions at all grades must be the goal to meet the intent of the Congress and the U.S. Supreme Court in its race aware decisions. Management should greatly reduce its recalcitrance and opposition to equal employment opportunity so as not to force the labor organizations into agreeing to "programs" which do not in a meaningful way change the status of underrepresentation of minorities in the work place.

Respectfully Submitted,

Howard R.L. Cook

Howard R. L. Cook
Concerned Employee

EXHIBIT NO. 6

LETTER FROM THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

December 13, 1988

Dr. James H. Billington
Librarian of Congress
Library of Congress
Washington, D.C. 20540

Dear Dr. Billington:

We wish to express our deep concern with your action - as opposed to rhetoric - in bypassing Dr. Tommy Shaw to become the Library's Director of Personnel and Labor Relations, and appointing instead a person with lesser qualifications from outside the Library. The apparent lack of consideration for the position of Director of Personnel and appointment thereto of Dr. Tommy Shaw was a missed opportunity to demonstrate to the largest minority group at the Library of Congress that your administration will be different than the previous one.

We also wish to express our dismay at your appointing the chair and vice chair of the MAP Committee to the Transition Team - as announced to the staff on December 5, 1988. In our meeting with the Library's Inspector General on December 2, 1988 we told him officially what the Library already knows that these individuals are 4(a)s. We believe therefore that they should not be in leadership positions and specifically should not be members of the Transition Team.

We also note that Soviet dissidents such as Andrei Sakharov, with whom you met on November 14, 1988, have been "rehabilitated" in the Soviet Union, but dissidents at the Library of Congress such as Dr. Shaw and the undersigned, are still awaiting for some sign of respect and understanding from your administration.

Sincerely,

Howard R. L. Cook
Howard R. L. Cook
Executive Director, BELC
Vice President, EELC

George E. Perry
George E. Perry
President, EELC
General Counselor, BELC

EXHIBIT NO. 7

LETTER FROM THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

November 30, 1988

Mr. John W. Rensbarger
Inspector General
Library of Congress
LM 617
Washington, D.C. 20540

Dear Mr. Rensbarger:

We are communicating with you as Inspector General of the Library of Congress. We were pleased when we learned that the Librarian of Congress had named you the Inspector General. The creation of a position of inspector general had been advocated by us back in 1979 or 1980 in testimony we gave before the U.S. Congress.

Our concern now is with the MAP Committee and the persons comprising the MAP Committee particularly the leadership. We have expressed our reservations about the leadership of the MAP Committee in testimony before the U.S. Congress in early 1988. Our concern arises out of the fact that the leadership of the MAP Committee is comprised of employees who received their positions through the illegal selection procedure under Section 4(a) of the Library of Congress Regulation 2010-14. This selection procedure has been conceded as illegal by the Library of Congress and the U.S. District Court for the District of Columbia. The Library conceded this illegality in a subclass to the pending yet to be certified class action.

It is our strong belief that you should investigate whether or not the leadership of the MAP Committee can be objective when making recommendations to the Librarian of Congress. We are greatly concerned because these individuals have a personal interest and because from a moral and legal point of view we do not believe that their upcoming report and recommendations will have the confidence of the staff, especially the minority segment of the staff. It has been the minority segment of the staff who has challenged all along the illegality involved in the 4(a) process through letters of the undersigned dated August 1, 1974 and August 7, 1974 and up to and including the time the Library conceded liability in this matter.

We would be willing to meet with you at any time to discuss this matter.

Sincerely,

Howard R. L. Cook
Howard R. L. Cook
Executive Director, BELC
Vice President, EELC

George E. Perry
George E. Perry
President, EELC
General Counselor, BELC

EXHIBIT NO. 8

[From the Federal Times, Apr. 17, 1989]

In The Courts

32 Blacks Win Back Pay In Discrimination Suit

A federal judge recently awarded more than $800,000 to black professional employees who won a class action suit against the Library of Congress for discriminating against minorities for high-level, unposted appointments.

The employees filed the suit charging the Library with filling most of its division chief and department head positions in a discriminatory fashion. District of Columbia District Court Judge Norma Holloway Johnson referred to the process as "an old boy network," in her recent decision setting awards in the case.

The Library agreed to award back pay to 32 of the most qualified black employees eligible for jobs the Library filled without postings.

Library officials and the employees disagreed on whether the court should base its award on the national percentage of black professionals or the percentage in the Washington, D.C., metropolitan area.

The award was based on the number of appointments that would have been given to black employees had there been no discrimination. In computing the award, Johnson used the Washington, D.C., metropolitan area as the relevant labor pool.

The percentage of black professional employees — 10.32 percent — in Washington is higher than the national average — 5.12 percent.

Johnson rejected the Library's reliance on the national rather than the local average.

"It is disingenuous for the Library, on the one hand to concede liability for filling the [jobs] through an 'old boy network' within the Library, and, on the other hand, to assert that, in the absence of discrimination, the Library would have recruited nationwide for [them]," Johnson found.

Johnson noted that, when the Library conducted a national search for qualified applicants between 1976 and 1987, only 10 of the 169 appointments were from outside the Library, and fewer than five appointments came from outside the Washington metropolitan area.

In response to the lawsuit, the Library changed its method of filling division chief and department head positions. Formerly the openings were not posted. Now they can be filled temporarily without posting, but must be posted for permanent appointment. *Howard R. L. Cook, et. al., v. James H. Billington, Librarian of Congress, 82-0400.*

— **Mark Kodama**

STATEMENT OF SENATOR WENDELL H. FORD

MR. CHAIRMAN, I APPRECIATE THE OPPORTUNITY TO TESTIFY BEFORE THE LEGISLATIVE BRANCH APPROPRIATIONS SUBCOMMITTEE ON FUNDING FOR SERVICES TO THE SENATE AND MEMBER OFFICES.

I WOULD LIKE TO SUBMIT MY FULL STATEMENT FOR THE RECORD, AND WITH YOUR APPROVAL, I WILL NOW BRIEFLY SUMMARIZE IT.

FIRST, PLEASE ACCEPT MY APPRECIATION FOR THE ASSISTANCE YOUR SUBCOMMITTEE HAS GIVEN TO THE COMMITTEE ON RULES AND ADMINISTRATION. WITH YOUR SUPPORT, WE HAVE BEEN ABLE TO INSTITUTE A NUMBER OF CHANGES WE BELIEVE HAVE BENEFITTED THE OPERATION OF THE SENATE.

1. WE HAVE IMPLEMENTED A NEW POLICY ON COMPUTERS THAT PERMITS EACH NEW CLASS OF SENATORS TO ACQUIRE A NEW SYSTEM. THIS POLICY HAS SEVERAL ADVANTAGES--IT GIVES DISCRETION TO MEMBERS TO SELECT A SYSTEM; IT SETS STANDARDS, WHEREBY APPLICATIONS CAN BE IMPLEMENTED SENATE-WIDE; IT PHASES IN REPLACEMENT (ONE-THIRD EVERY TWO YEARS) FOR AN ORDERLY TRANSITION; AND IT WILL ENHANCE THE SENATE'S ABILITY TO AVOID TECHNOLOGICAL OBSOLESCENCE.
2. THE CONVERSION TO THE NEW TELEPHONE SYSTEM IS ALMOST COMPLETE.
3. A REQUEST FOR PROPOSAL FOR A COMMUNICATION LINK TO STATE OFFICES IS OUT TO BIDDERS. THIS NEW SYSTEM WILL REPLACE FTS.
4. A RFP FOR A DATA COMMUNICATION NETWORK IS BEING PREPARED.
5. THE AUTOMATION OF HOME STATE OFFICES IS IN THE PLANNING STAGE. THE PLAN IS BASED UPON THE DATA GATHERED FROM THE PILOTS CONDUCTED OVER THE PAST TWO YEARS.
6. LEGISLATION TO PERMIT MEMBERS GREATER FLEXIBILITY IN MANAGING THEIR PERSONAL OFFICE BUDGETS HAS BEEN ENACTED.
7. A BIENNIAL AUTHORIZATION FOR COMMITTEE BUDGETS IS IN PLACE.

8. WITH REGARD TO SENATORIAL SUITE SELECTION, I AM PLEASED TO INFORM YOU THAT THE LAST SENATE OFFICE MOVE WAS COMPLETED YESTERDAY. THE STAFF TELLS ME THAT IT'S THE EARLIEST COMPLETION DATE IN MEMORY. EQUALLY SIGNIFICANT IS THE FACT THAT NO MEMBER HAD TO MAKE A SECOND MOVE.
9. THE RULES COMMITTEE HAS ALSO STRENGTHENED ACCOUNTABILITY ALONG WITH FLEXIBILITY. DOCUMENTATION IS NOW REQUIRED FOR EXPENDITURES BY COMMITTEES AS IT HAS BEEN IN THE PAST FOR PERSONAL OFFICES.

WE'VE BEEN BUSY TRYING TO BRING ABOUT IMPROVEMENTS, BUT WITHOUT FUNDING, THESE CHANGES WILL BE MEANINGLESS. I URGE YOU TO PROVIDE THE NECESSARY FUNDS FOR THESE PROGRAMS TO GO FORWARD.

THE RULES COMMITTEE HELD OVERSIGHT HEARINGS ON THE BUDGET REQUESTS OF BOTH THE SERGEANT AT ARMS AND THE ARCHITECT OF THE CAPITOL. IN GENERAL, WE SUPPORT THE DIRECTION TAKEN BY THESE OFFICES IN THEIR BUDGET SUBMISSIONS. SOME OF THE ITEMS ARE SUBSTANTIAL, BUT SOONER OR LATER, ACTION WILL BE NECESSARY. THE ELECTRICAL SYSTEM IN THE RUSSELL BUILDING MUST BE UPGRADED. THE SUBWAY WILL HAVE TO BE IMPROVED. THE SENATE CENTRAL COMPUTER NEEDS TO BE UPGRADED. WHILE I RECOGNIZE THAT FISCAL RESTRAINT SHOULD AND MUST BE PRACTICED, THE LONGER WE DELAY WHAT INEVITABLY MUST BE DONE, THE MORE COSTLY THESE PROJECTS WILL BE.

ONE LAST SUBJECT THAT HAS BEEN IMPORTANT TO ME FOR SEVERAL YEARS IS THE FUNDING OF OFFICIAL MAIL--THE FRANKING PRIVILEGE. I URGE YOU TO PLACE THE PROVISIONS OF SENATE JOINT RESOLUTION 98 IN THE LEGISLATIVE BRANCH APPROPRIATIONS BILL. THE PUBLIC INTEREST DICTATES SEPARATE ACCOUNTS SO THAT EACH BODY SITS ON ITS OWN BOTTOM--WE TAKE THE CREDIT FOR FRUGAL SPENDING OR THE BLAME FOR EXCESSIVE SPENDING.

WITH ALL DUE RESPECT I MUST PLACE YOU ON NOTICE THAT IF THE JOINT RESOLUTION IS NOT ENACTED WHEN THE APPROPRIATIONS BILL REACHES THE SENATE FLOOR AND IF ITS PROVISIONS ARE NOT CONTAINED IN THE COMMITTEE BILL, I WILL OFFER THE TEXT OF S. J. RES. 98 AS

A FLOOR AMENDMENT. IT IS TIME FOR THE SENATE TO TAKE A STAND ON THIS ISSUE, AND I PLAN TO BE TIRELESS UNTIL A CHANGE IS IMPLEMENTED.

MR. CHAIRMAN, THANK YOU AGAIN FOR THIS OPPORTUNITY. I LOOK FORWARD TO A CONTINUED WARM AND CORDIAL RELATIONSHIP DURING THIS CONGRESS.

STATEMENT OF SENATOR WENDELL H. FORD

Mr. Chairman and distinguished Committee members, thank you for the invitation to appear before you today. This is a first for me as Chairman of the Senate Rules and Administration Committee, and I appreciate the opportunity.

My remarks will cover a variety of subjects that relate directly to the operation of committee and Member offices. My views will come from two perspectives -- one as Rules Committee Chairman, the other as a Member of the Senate.

Let me begin by summarizing for you the actions taken by the Rules Committee with respect to Senate committee budgets for the 101st Congress. As you know, the Rules Committee has completed action on Senate Resolution 66, The Omnibus Committee Funding Resolution for 1989 and 1990. This Resolution, which authorized expenditures for committees of the Senate, was adopted by the full Senate on February 28, 1989.

Mr. Chairman, there are no surprises in this Resolution. Once again, the Rules Committee has exercised frugality and common sense in authorizing committee budgets. There is, however, something new. For the first time, committee authorizations are for a two-year period, which not only makes our work easier, but should result in greater economy and efficiency in committee operations. Authority for the biennial budget resulted from the Senate's approval of S. Res. 479 on September 30, 1988.

A new policy was initiated during consideration of Senate committee funding resolutions for FY 1989-90. This new procedure will permit special needs of committees to be funded from non-recurring funds rather than an incremental increase in the budget base that stays on long after the "exceptional" workload of a committee no longer exists. The Senate Banking, Housing, and Urban Affairs Committee is faced with an increased workload as a result of the crisis facing many of the nation's financial institutions. The Rules Committee agreed that extra funding was both necessary and justified. Consequently, we approved funding beyond the 10 percent guidelines that had been established for committee requests. Rather than build these funds into the budget base, the Rules Committee recommended that $379,800 be authorized on a non-recurring basis. This means that these funds will not be a part of the budget base for the next funding period in the 102nd Congress.

Your Committee should be aware that S. Res. 66 authorizes committees to spend at the full level and carry over funds to the next year. Therefore, I ask you to be cognizant of this fact when funding the Legislative Branch Appropriations Account "Inquiries and Investigation", and take into consideration the Ethics Committee's needs and agency contributions that also will be required.

The budgets authorized for the Senate committees reflect continued austerity at a time when great fiscal restraint is necessary. However, all of us recognize that committees as well as Members' offices are faced with new demands -- retaining quality staff and responding to increased workloads. Given these circumstances -- as well as the reality that significant infusions of additional funds are not an option -- the Rules Committee has implemented a number of major procedural initiatives aimed at improving the efficiency of both committees and Member offices.

Two years ago, we authorized an automated ledger system for Senate committees to use in maintaining records of expenditures of funds provided for official expenses. This has greatly improved the accuracy with which these records are maintained.

Acting on a recommendation from the Rules Committee, the Fiscal Year 1989 Legislative Branch Appropriations Bill included a provision that authorized Senate committees to procure consultant services to assist in improving the efficiency and effectiveness of committee operations.

The Rules Committee also initiated legislation to require documentation for vouchers submitted for the payment of expenses incurred by Senate committees and administrative offices.

We have taken steps to give Senators more latitude and discretion in the use and administration of official appropriated funds. In 1987, we consolidated the two existing Member office accounts into one, giving Senators greater flexibility in determining their own priorities. Further simplification resulted from the 1988 deletion of the 10 percent expense category limitation. We expect to have in place by October, 1990, a computer assisted accounting system that will provide budgetary controls and forecasting capabilities. As a result, Members will have for the first time the ability to make direct payments to vendors. This will eliminate the practice of requiring Members to use their personal funds to pay vendors and then be reimbursed.

Improving the efficiency of Senate office operations, both for committees and Members, also demands that we sensibly employ modern technology to the maximum. Major steps have been taken by the Rules Committee to make this technology readily available to committees and to Members. There also are other matters that must be addressed by this Congress to ensure that we keep our technology up-to-date, responsive to our demands, and cost effective.

Last month, for the first time in the history of the Senate, each committee chairman and ranking minority Member brought before the Rules Committee their resource needs for the next two years. In this request, they also presented their computer and office automation needs for the 101st Congress. In cooperation with the Senate Sergeant at Arms, we are using this data to construct a meaningful plan to provide the needed technology for getting the committee work done. As with any new effort, we have encountered a few minor start-up problems, but I am convinced that this is the only way to do business.

We recently approved the installation of local area networks for seven Senate committees, which included 22 file servers, 490 work stations and 100 printers. As the Federal agencies, and others with whom committees must deal, become more sophisticated in their use of automation, it becomes increasingly important that we also keep abreast of these capabilities. We need to be exploring better and more efficient ways of receiving -- and utilizing -- the mass of data sent to us each year from the Executive Branch.

We also are focusing on ways to reduce the printing costs of committees. In our recent hearings on the committee budgets, we stressed to each chairman the importance of imposing improved controls over printing costs. We will be testing increased use of direct communications to the Government Printing Office using fiber optics. This approach can offer significant cost savings as well as improve the timely publication of reports.

In February, the Rules Committee approved a new approach to funding automation needs for Member offices. This new method, I might add, required the support of this Committee, for which I am grateful. The new policy allows Members more discretion in choosing their office automation. No longer will they have to settle for standard issue equipment but can decide upon a solution that best meets their individual needs. It will provide each newly-elected class a two-year window to obtain a system to fit his or her needs and style. Your continued support in allowing Members to carry forward this allocation into the second -- and in exceptional cases the third -- year is essential to the success of this program. As an integral part of this policy, standards have been established to assure the ability to implement Senate-wide applications in the future.

Through pilot tests, we are exploring automation needs of state offices. We have provided six Senators in two of their state offices a work station and a personal computer. In another pilot effort, we have automated 40 state offices for 10 Senators in five states. As part of the pilot, we have installed three local area networks in Hill offices, containing 105 work stations and five servers. We also have provided funds to those not in these pilot projects. As a result, over 900 PCs have been installed in nearly 200 state offices in the past six months. When finished, more than 1300 PCs will be available to state office staff.

Our mainframe computer was purchased in 1984. It is important than the Senate replace this older technology in order to take advantage of today's more efficient processors, which are needed to keep pace with the growing demands. The Sergeant at Arms has requested funding for this purpose and I fully support this essential request.

In the area of communications, all Senate offices, beginning next month, will be using the new phone system. I am happy to report that following the upgrade last summer, the system has been meeting the established performance standards. We now are cooperating with other Hill agencies in purchasing long distance services for our state offices. As you know, we have been using the FTS system for years, and it is no longer adequate. We expect this new long distance service to be available later this year, and it promises to resolve many of our current problems while offering sizable savings. We also have plans underway to acquire by early next year nationwide data communication services, so we can better use our computer equipment in state offices with our systems here on the Hill. The initial cost of this service will be substantial but will be far less costly than the technology now being used on a limited basis.

In addition to committee and Member office needs, there are a number of technology issues that relate to the overall functioning of the Senate. Last month, the Rules Committee held oversight hearings on the Office of the Architect of the Capitol and the Office of the Senate Sergeant at Arms. In general, the Rules Committee supports both of their budgetary requests. With the start of this Congress, we have upgraded the television broadcasting service of the Senate by adding two additional cameras. We now have been asked to find a solution to providing closed captioning of the Senate floor proceedings, so that the hearing-impaired can take full advantage of the Senate floor broadcast coverage. To accomplish this, it will be necessary to upgrade the audio system in the Senate Chamber. The current system is nearly 20 years old. It is very marginal for our current TV broadcasting requirements and is inadequate for supporting closed captioning. We will be studying solutions for correcting this problem. We now are examining closed captioning options and plan to have recommendations on this matter later this year. Our investigation to date has demonstrated that captioning services require highly-skilled talent and may be very expensive.

We have been working with the Architect of the Capitol to develop legislation that would authorize the Architect to accept title to furniture from vendors in a Senator's home state for the Senator's personal office. The Rules Committee also has drafted a set of proposed regulations on furniture policy. These regulations would give Members a one-time opportunity each term of office to decorate their personal office, conference room and reception room to their own personal taste.

We want to encourage this Committee to continue funding the installation of modular furniture in the Hart Senate Office Building. We also ask that funding be maintained after completion of the Hart Building project so that modular furniture can be installed in the Dirksen and Russell office buildings. This will contribute to better utilization of our limited office space.

We all know that the single resource in greatest demand in the Senate is the time of a Senator. We constantly are looking for ways to best use this time through automation, telecommunications, and better scheduling. Properly working elevators and subways are necessary for Senators to utilize their time efficiently. We have asked the Architect for his recommendations for improving these services. Bids for the subway have been solicited, and the Committee will select the best proposal. Mr. Chairman, I am sure Senators will agree that these facilities need major improvements -- and the sooner the better.

I also want to express my support for the funds requested by the Sergeant at Arms and the Architect to facilitate the relocation of the Senate Computer Center and some sections of the Service Department. The relocation will enable us to move the Computer Center from commercial space and make available prime space in our existing office buildings.

That concludes the major portion of my remarks, Mr. Chairman, but I would like to bring to your attention certain facts relating to the office expense portion of the new consolidated account for Senators. Since 1973, when the authorized accounts of Senators were combined into the Consolidated Office Expense Allowance, the expense account has only been increased twice -- once in 1977, in conjunction with the creation of the 10 percent expense category, and again by 10 percent in 1982. An analysis of the office expense portion of the consolidated account shows a clear pattern of deficit spending for the last four years. For example, in 1987, the total amount spent exceeded the allowance by over 25 percent, and in 1988, by 23 percent. This clearly demonstrates that the office expense account allowance is not keeping pace with inflation. Members have been forced to use the salary portion of their account to cover this deficit, eroding the ability to pay competitive salaries. I urge this Committee to seek a solution to this critical dilemma.

Mr. Chairman, space is a dirty word around here. Most Members, Senate officers, and committees can justify their need for additional space, but we aren't likely to gain access to another large block of space soon. Although the legislative branch has reserved approximately 150,000 square feet of the Post Office, most of this space will house the Computer Center that is currently cramped in privately owned quarters.

I am reluctant to raise this matter because it involves space, but, Mr. Chairman, we need to explore the possibility of a health/fitness facility for Senate staff. Businesses are providing them, other government agencies are providing them, and we should consider providing one for our employees. It's a good investment. It improves health and reduces medical expenses. In my opinion, we should be seeking ways to provide access to such a facility for Senate employees.

Mr. Chairman, the Rules Committee has sought to improve the quality of services provided to Members and committees. We have tried to set policy, and not micro manage. We have attempted to increase flexibility and, at the same time, strengthen accountability and responsibility. I believe that Members have responded very positively to our actions. It is certainly my intent to work diligently to provide the tools and services that can lead to improved efficiency and effectiveness of this body.

In closing, Mr. Chairman, let me once more express my appreciation for the Committee's continued support, which helps us achieve our joint initiatives to improve and expand the resources available to committees and Member offices. We will continue to pursue our mutual objectives of increased efficiency, productivity and accountability. I thank you for the opportunity to make this presentation and am ready to respond to any questions you may have.

LIST OF WITNESSES, COMMUNICATIONS, AND PREPARED STATEMENTS

Page
Aguero, Mario, Commissioner, Copyright Royalty Tribunal 261
Alter, Mary Ruth, director, computer center, Office of the Sergeant at Arms and Doorkeeper, U.S. Senate 45
Andelin, John, Assistant Director for Science, Information, and Natural Resources, Office of Technology Assessment 437
Argetsinger, J.C., Commissioner, Copyright Royalty Tribunal 261
Avram, Henriette D., Assistant Librarian for Processing Services, Library of Congress 151

Balderson, Stuart F., Financial Clerk of the Senate, Office of the Secretary of the Senate, U.S. Senate 1
  Prepared statement 33
Becker, Herbert S., Director, Automated Systems Office, Library of Congress... 151
Benitez, Ben, Director of Personnel and Labor Relations, Library of Congress.. 151
Billington, James H., the Librarian of Congress, Library of Congress 151
  Prepared statement 153
Black Employees of the Library of Congress, prepared statement 590
Blum, James L., Assistant Director, Budget Analysis Division, Congressional Budget Office 75
Bowsher, Charles A., Comptroller General, General Accounting Office 515
  Prepared statement 516
Brown, Richard L., Controller, General Accounting Office 515

Cannon, M. Joseph, Assistant Public Printer for Financial Policy and Planning, Government Printing Office 279
Canter, Rhoda W., Associate Librarian for Management, Library of Congress .. 151
Carroll, J. Raymond, Director of Engineering, Architect of the Capitol 343
Cassler, Robert, General Counsel, Copyright Royalty Tribunal 261
Cook-Deegan, Robert Mullan, Acting Executive Director, Biomedical Ethics Advisory Committee, Biomedical Ethics Board 325
  Prepared statement 330
Crupi, Emanuele, Budget Officer, Architect of the Capitol 343
Curran, Donald C., the Associate Librarian of Congress, Library of Congress.... 151
Cylke, Frank Kurt, Director, National Library Service for the Blind and Physically Handicapped, Library of Congress 151

Desautels, Mark G., Assistant for Intergovernmental Relations, Congressional Budget Office 75
Domenici, Hon. Pete V., U.S. Senator from New Mexico, questions submitted by 577

Ensign, William L., Assistant Architect of the Capitol, Architect of the Capitol 343
Ethnic Employees of the Library of Congress, prepared statement 590

Fitt, Alfred B., General Counsel, Congressional Budget Office 75
Fleischhauer, Carl, special media projects coordinator, Library of Congress 151
Ford, Hon. Wendell H., U.S. Senator from Kentucky, prepared statements 611, 613
Fossedal, Donald E., Assistant Public Printer (Superintendent of Documents), Government Printing Office 279

Gibbons, John H., Director, Office of Technology Assessment 437
  Prepared statement 455

Page

Giugni, Hon. Henry, Sergeant at Arms, Office of the Sergeant at Arms and Doorkeeper, U.S. Senate 45 491
  Prepared statements 47, 492
Goldstein, Ira, Assistant Comptroller General for Operations, General Accounting Office 515
Gore, Hon. Albert, Jr., U.S. Senator, member, Biomedical Ethics Board 325
  Prepared statement 327
Greigg, Stanley L., Director, Office of Intergovernmental Relations, Congressional Budget Office 75
Gwin, Holly L., General Counsel, Office of Technology Assessment 437

Hahn, Ellen, chair, management and planning committee, Library of Congress 151
Hartman, Robert W., Acting Deputy Director, Congressional Budget Office 75
Hemperley, John O., budget officer, Library of Congress 151
Herdman, Roger, Assistant Director for Health and Life Sciences, Office of Technology Assessment 437
Hodges, Polly E., budget and finance officer, Congressional Budget Office 75

Jabbour, Alan, Director, American Folklife Center, Library of Congress 151
Jackson, Russell, director, service department, Office of the Sergeant at Arms and Doorkeeper, U.S. Senate 45
Jenifer, Joseph E., Acting Public Printer, Government Printing Office 279
  Letter from 317
  Prepared statement 281
Johns, Lionel S., Assistant Director for Energy, Materials, and International Security, Office of Technology Assessment 437

Kennedy, Hon. Edward M., Chairman, Technology Assessment Board, Office of Technology Assessment 437
  Prepared statement 439
Kerrigan, Hon. Frank A., Chief, Capitol Police, Capitol Police Board 491
  Prepared statement 498

McCormick, Robert, director, telecommunications department, Office of the Sergeant at Arms and Doorkeeper, U.S. Senate 45
McGurn, Thomas P., Administrative Officer, Office of Technology Assessment 437
Mikulski, Hon. Barbara A., U.S. Senator from Maryland, questions submitted by 434
Montgomery, W. David, Assistant Director, Natural Resources and Commerce Division, Congressional Budget Office, biography of 133
Morse, Ronald A., development officer, Library of Congress 151
Murphy, Declan C., special projects officer, Library of Congress 151

Nakamura, Brian, administrative assistant and general counsel, Office of the Sergeant at Arms and Doorkeeper, U.S. Senate 45
Nickles, Don, U.S. Senator from Oklahoma, questions submitted by 39, 69, 234, 313, 341, 428, 512, 575

Oman, Ralph, Register of Copyrights, Library of Congress 151
  Prepared statement 168

Pincus, Paul, Landscape Architect, Architect of the Capitol 343

Raines, William F., Jr., Administrative Assistant, Architect of the Capitol 343
Ray, Edward W., Chairman, Copyright Royalty Tribunal 261
  Prepared statement 262
Reid, Hon. Harry, U.S. Senator from Nevada, questions submitted by 62, 145, 203, 278, 301, 368, 475, 511, 545
Reischauer, Robert D., Director, Congressional Budget Office 75
  Prepared statement 76
Rensbarger, John W., inspector general, Library of Congress 151
Ribe, Frederick C., Assistant Director for Fiscal Analysis, Congressional Budget Office, biography of 134
Rodriguez, Christy, confidential assistant and budget director, Copyright Royalty Tribunal 261

Page
Ross, Joseph E., Director, Congressional Research Service, Library of Congress 151
Prepared statement 166
Roth, Dennis M., president, Congressional Research Employees Association, prepared statement 582
Russ, Hon. Jack, House Sergeant at Arms, Capitol Police Board 491
Prepared statement 497

Schwartz, Eric, policy planning advisor, Copyright Office, Library of Congress 151
Singleton, Catherine H., budget and finance officer, Office of Technology Assessment 437
Socolar, Milton J., Special Assistant to the Comptroller General, General Accounting Office 515
Sparks, Peter G., Director for Preservation, Library of Congress 151
Stevens, Hon. Ted, member, Technology Assessment Board, Office of Technology Assessment 437
Prepared statement 447
Stewart, Ruth Ann, Assistant Librarian for National Programs, Library of Congress 151
Stewart, Walter J., Secretary of the Senate, Office of the Secretary of the Senate, U.S. Senate 1
Prepared statement 4
Stoffel, Larry, Superintendent, Senate Office Buildings, Architect of the Capitol 343

Thomson, Jeri, Assistant Secretary of the Senate, Office of the Secretary of the Senate, U.S. Senate 1

Ward, Tom, Supervising Engineer, Capitol Building, Architect of the Capitol 343
White, George M., Architect of the Capitol 343, 491
Prepared statement 345
Wimberly, Ben, General Counsel, Architect of the Capitol 343
Wolanin, Dr. Barbara, Curator, Architect of the Capitol 343

Zimmerman, Daniel F., Chief, Systems Development and Research Unit, Congressional Budget Office 75

SUBJECT INDEX

ARCHITECT OF THE CAPITOL

Page
Additional committee questions 367
Administrative prohibitions 357
Associates, introduction of 343
Capital project planning 363
Capitol Preservation Commission 364
Centralization 362
Cost savings, potential for 351
East plaza fountains 358
Electronics 362
Elevator safety 364
Food service 361
Functions, business approach to 360
Highlights 343
Jefferson Building roof 356
Lease management 361
Library of Congress renovation 344
Minton tile replacement 355
Modular furniture, Hart Building 366
    Delivery schedule 366
Organization and direction, future of 360
Plaza parking removal 359
Projects with savings, analysis of 359
Property management 361
Retirement benefits, withdrawal of 357
Russell elevators, preventive maintenance for 354
Senate Building maintenance 363
Senate subway system 349
    Loop system, collapsed 349
    Subway cars, metal fatigue in old 350
Steam tunnel replacement 365
Subway maintenance 353
Surplus food, donations of 353
Transportation 361
Water penetration, Old Senate Chamber 365
West central front terraces 344
West front project unobligated balances 354

BIOMEDICAL ETHICS BOARD

Additional committee questions 341
Advisory committee staffing 337
Bioethics Commission, need for Federal 335
Bioethics commissions, previous 333
Board meeting, progress since March 8 337
Delayed start, reasons for 336
Function and structure 334
Function, importance of 340
Mandated studies 334
    Progress on 338
Summary statement 332
Supplemental appropriation 341

Page

CAPITOL POLICE BOARD

Additional committee questions 510
Associates, introduction of 499

CONGRESSIONAL BUDGET OFFICE

Additional committee questions 144
Automated data processing 138
Budget request, 1990 136
Costs, keeping down 141
Employees:
  Benefits 137
  Categories of 141
Equipment, new 139
Objectives for 140
Public works programs, report on 143
Scorekeeping manual 143
Summary statement 135
Workload, increasing 142

COPYRIGHT ROYALTY TRIBUNAL

Additional committee questions 278
Associates, introduction of 275

GENERAL ACCOUNTING OFFICE

Additional committee questions 544
Comptroller General, term of 540
Defense 531
Defense work 542
Federal deficit 532
Financial institutions 531
Goals and objectives 541
Health care 532
Navy work 537
Nuclear weapons plants 532
Request, fiscal year 1990 534
Savings, measurable 535
Tax policy and administration 537
Transportation systems 531
Trust fund surpluses 533
  Effect of 539
Work, source of 542
Yucca Mountain 539

GOVERNMENT PRINTING OFFICE

Additional committee questions 299
Alkaline paper 296
Buildings 295
Child-care center 294
Congressional Record:
  Automation 299
  Bound 299
Electronic dissemination pilot projects 296
General statement, summary of 279
International exchange distribution 298
Literacy efforts 294
Wage negotiations, American Federation of Government Employees 298

LIBRARY OF CONGRESS

Additional committee questions 202
Advice appreciated 197
American memory 177
  Intended scope 182
  Program demonstration 178

Page

- Associates, introduction of 171
- Budget requests, 1990 recapped 200
- Committee members recognized 181
- Congress in the year 2000 200
- Congressional Research Service 199
  - Improvements 199
- Copyright fee increase requested 177
- Current trends, need to reverse 184
- Documents requested, supporting 196
- Farm Security Administration photographs 194
- Histories, local to be shared 183
- Impeachment 180
- Information sought, effective use of 190
- Institutions, comparison with other 191
- Issues, charts depict addressed 175
- Jefferson's conception, faithful to 183
- Library of Congress is unique 174
- Maclay's diary, Senator 179
- Management and planning committee 171
- Material selection process 193
- Mission and values 172
- Motion picture materials 179
- Nation's libraries, savings to 175
- Nickles' vision, Senator 184
- Overseas offices:
  - New requested 186
  - Other functions 187
- Photographs, collection of 179
- Police positions, funding for 185
- Political prints and cartoons 178
- Positions:
  - Current vacant percentage high 174
  - Many lower level 192
- Priority, which office has 188
- Reorganization discussed 188
- Requests, source of 200
- Roofs, condition of building 181
- Textual collections 179
- Transition team is reviewing 189
- Vacancies, will still have 193
- Versailles, Treaty of 180

OFFICE OF TECHNOLOGY ASSESSMENT

- Acquired immune deficiency syndrome, differences in Office of Technology Assessment and General Accounting Office work on 471
- Additional committee questions 474
- Analyses inform all points of view 474
- Contracting funds to Office of Technology Assessment, importance of 472
- Debate, Office of Technology Assessment helps focus the 450
- Global warming, work on 453
- Mandates, deferral sometimes results in 452
- Output, how to increase in lean years 453
- Overload, responses to 451
- Overview 442
- Politicize the agency, Office of Technology Assessment remains alter to attempts to 473
- Problems, major confronting the country 470
- Products are useful outside the Federal Government 452
- Science and technology, impact of on budget decisions 450
- Shared resource, ... 451
- Technological change, Office of Technology Assessment keeps a weather eye on 471

Page

U.S. SENATE

Office of the Secretary of the Senate

Additional committee questions 38
Automation 3
    Update 35
Budget request, fiscal year 1990 3
Interparliamentary Service, Office of 36
Leave, child care, maternity and paternity 37
Senate library 37
    Moving 3
Senate Security, Office of 36
Senate, bicentennial of the 3

Office of the Sergeant at Arms and Doorkeeper

Additional committee questions 61
Associates, introduction of 45
Braille printer 55
Budget request 47
Cable installers 58
Capitol maintenance and housekeeping 58
Computer center 46, 60
East plaza parking 57
Objections and goals, 5 year 55
Office automation, State 60
Overview 46
Recording studio 46
Sergeant at Arms, welcoming 45
Service department 47
Telecommunications 46
Telephone system 61

○